



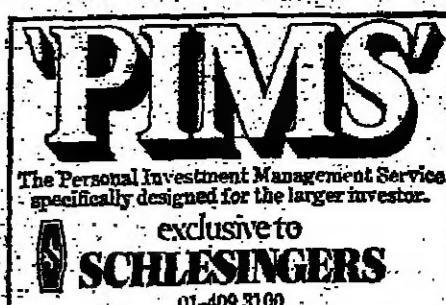
CONTINENTAL SELLING PRICES: AUSTRIA Sch.10; BELGIUM Fr.20; DENMARK Kr.2.75; FRANCE Fr.2.20; GERMANY DM1.70; ITALY L.300; NETHERLANDS FL.1.50; NORWAY Kr.2.75; PORTUGAL Esc.1.00; SPAIN Pts.20; SWEDEN Kr.2.50; SWITZERLAND Fr.1.50.

FINANCIAL TIMES

No. 26,871

Saturday January 17 1976

**10p



NEWS SUMMARY

GENERAL

BUSINESS

Lebanon jets hit Equities muted; gold loses \$2^{1/2}

EQUITIES were muted, but second line shares attracted selective buying. The FT 30

The civil war in Lebanon intensified yesterday when two Lebanese Air Force Hunter jets attacked Palestinian Leftwing positions which had fired on an army convoy travelling south to the beleaguered Christian village of Damour.

After this first intervention by Government military aircraft the already fierce exchanges in Beirut reached a new intensity.

The Hunters swept at low-level over the city's airports and runways shortly after Maj.-Gen. William Shahine, Syrian Chief of Staff, had gone in for consultations with President Franjieh. Last night the airport was closed to civil traffic.

A Lebanese military spokesman said that the jets bombed Palestinian and Druze positions for 20 minutes, but had encountered SA-7 missile fire from refugee camps. He denied reports that one Hunter had been lost.

Egypt last night condemned the action of the Lebanese Air Force and urged immediate measures to halt it, adding that the Palestinian movement was a trust in the Lebanese Government's hands. Back Page.

Speaker is to retire shortly

Mr. Selwyn Lloyd, who is to retire as Speaker of the House of Commons within the next few weeks, is expected to make his decision very next week. A former Conservative Chancellor and Foreign Secretary, Mr. Lloyd, 71, was elected Speaker five years ago. Mr. George Thomas (Labour, Cardiff W.) is likely to succeed him. Mr. Lloyd's departure will probably mean a March 4 by-election in the Wirral, a safe Tory seat. The Carlton and Coventry NW by-elections are plus the permitted 10 per cent. due on that day.

FNLA 'on point of collapse'

The U.S.-backed National Front For The Liberation of Angola (FNLA), was in a serious position last night as it continued to fight Cuban-led Popular Movement For The Liberation of Angola (MPLA) forces. Messages reaching Washington suggested FNLA was on the point of collapse. Page 13

Iceland hedges break threat

Iceland is expected to announce its decision to break diplomatic relations with Britain early next week, but to allow a few days grace before making the break effective. There is likely to be a proviso that relations will be severed if Britain does not withdraw its frigates from Cod War waters within a week. Page 9

Hope given up for ore vessel

All hope has been abandoned for the Norwegian ore carrier Berge Istra, which vanished in the Pacific last month while on a voyage from Brazil to Japan. Its owner Sigvald Bergesen said in Oslo last night.

Madrid strikes

The Madrid strikes spread yesterday despite Thursday night's arrests of 120 workers' leaders. Page 11

Uprooted

Some 3,500 trees and bushes planted by the city council as part of a make-Rome-beautiful campaign, have disappeared—probably stolen by thieves seeking a quick profit by selling them to the public.

Briefly . . .

Equal Opportunities Commission has received about 2,500 sex discrimination inquiries since it started work two weeks ago. Britain yesterday closed its Nice consulate as part of a Foreign Office economy drive. Page 11

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Treasury 13pc 90.15971 + 12
Treas. 13pc 92.0241 + 12

Barclays (Wm.) 100 + 5

Bibby (J.) 87 + 5

Blackwood Hodge 163 + 10

British Northrop 98 + 8

Burton "A" 55 + 5

Cantors "A" 33 + 4

Corn Exchange 85 + 10

Dixons Photo 73 + 6

English China Clays 89 + 7

Gerrard and Nat. 315 + 8

Gordon and Goch 64 + 4

GKN 261 + 5

Lankford 132 + 6

MN Electric 76 + 5

Met. Engineering 270 + 5

Newman Inds. 37 + 8

Reardon Smith "A" 108 + 7

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The week in London and

Trade figures underpin gilts

Equities inched back from a new issues have been selling arranged some portion of mid-November the market has like hot cakes. The Chancellor's letter of intent to the IMF—with its projections for the size of the Government borrowing requirement—briefly depressed the market in mid-week. But the trade figures helped put new life into gilts in tanker fortunes. About 15 per cent of the world fleet is laid up at the moment, compared with 2 per cent a year ago, although one broker estimates that a more realistic measure of oversupply would be up to 50 per cent of the world fleet in 1973-74. The highest figure most outsiders were projecting was £1bn or so pre-tax in view of a 33 per cent fall in U.K. clay volume for the second half and a 22 per cent decline for the year as a whole. In the hand values are in the £50-60 per ton range. In the absence of any increase in the rate of order cancellations and scrapping, equilibrium may not return for several years.

The problems of tanker finance shifted from Norway to the Mediterranean this week as international banks rallied to support the ailing shipping empire of Greek shipowner Minos Colocotronis. Hambrus hit the headlines last summer over its involvement with the Norwegian owner Hilmar Beksten. This time it is the turn of Brandts, a subsidiary of Grindlays Bank. Back in May, Grindlays drew attention to its subsidiary's concentration for rescheduling Colocotronis' shipping markets of Greece, debt go through, mainly in the Far East and North America and consequent lack of involvement in the current problems of tanker finance; it now at least foresees no problems emerges that Brandts has on its shipping loans. But since which is exported. The good

equities have risen by 7 per cent, whereas Grindlays share price has fallen by 12 per cent to 35p—one of the worst performances.

Tanker financing

But the undertone remains firm. All three Actuaries indices hit new highs yesterday, and rises among FT quoted industrials were running well ahead of falls. At the same time

TOP PERFORMING SECTORS IN FOUR WEEKS FROM DEC. 18

	% Rise
Property	+19.1
Hire Purchase	+15.4
Discount Houses	+12.4
Textiles	+12.3
Insurance (Life)	+12.1
Stores	+11.8
All-Share Index	+9.0

THE WORST PERFORMERS % Fall

	% Fall
Toys & Games	-2.4
Food Manufacturing	+6.4
Banks	+5.4
Oils	+4.8
Insurance (Brokers)	+4.7
Food Retailing	+2.5

MARKET HIGHLIGHTS OF THE WEEK

	Price Y/day	Change on Week	1975/6 High	1975/6 Low	
F.T. Ind. Ord. Index	403.2	+ 1.6	403.3	146.0	Steady with help of firm Gilt
F.T. Gold Mines Index	209.3	-18.1	442.3	209.8	Sharp fall in bullion price
Treasury 10½% 1978	£591	+ 1	£100.0	£96	Lower interest rate trends
Allen Harvey & Ross	480	+55	480	190	In sympathy with Gilt
BP	538	-27	615	190	Adverse Alaskan reports
Coronation Syndicate	130	-35	345	130	Poor December quarter results
Denbyware	140	+14	145	42	First half profits advance
English China Clays	89	+164	89	35	Results better than expected
Fuldrive	45	+16	45	14	Record profits
Hickson and Welch	372	+18	322	100	Preliminary results
Indonesia Consolidated	12	+ 4	15	5	Bid discussions with Bowater
International Timber	94	-10	104	36	Disappointing int. report
Ley's Foundries	51	+13	51	17	Excellent results
Melody Mills	57	+17	57	24	First-half profits upsurge
News International	155	+19	156	41	Renewed demand
Penfriant	£108	+1175	£101	220	Uranium export hopes
Pennard	204	+ 9	204	5	Mr. Tony Morgan apptd. chief exec.
Vesper-Thomycroft	82	+14	105	52	Record profits
Weyburn Engineering	518	+38	518	62	Bonus "Rights" issue/record profits
Wigfall (Henry)	209	+31	212	40	Press comment on bid possibility

Wall Street is experiencing unprecedented levels of dealing volume as the 1976 election year gets under way against a background of declining interest rates. The Dow Jones has now risen by close on a tenth in just nine trading sessions. And at home the authorities have this week been making it abundantly clear that they wish to see interest rates held down.

MLR has now fallen a full point in four weeks, while on Thursday the Bank of England stepped in to ease any short-term pressures on the money markets by temporarily releasing 1 per cent. of special deposits (worth £325m). Without this assistance short-term rates may have started to move higher, with massive gilt sales coming at a time of high-seasonal tax payments. Not surprisingly, the gilt market's two

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Financing

Getting more from less

BY KENNETH MARSTON, MINING EDITOR

NOT SURPRISINGLY, the per pound and still rising. This new prosperity has not yet made much impact on many mines because they are still deal to be said for a purchase working through the old low-priced contracts. But it is worth bearing in mind that the South African gold-uranium producers have been negotiating better prices for some of their existing uranium contracts and eventually their income from this source can be expected to jump.

The mines which could benefit substantially from the uranium revival include Buffels, Harmony, Hartbeespoort, and Randfontein. Those with a lesser, but still useful potential include Free State Geduld, President Brand, President Steyn, South West, Welkom, Western Deep and Western Holdings.

Lucky Palabora

Last year this column reported rammed home the point that base metals were cheap by any standards and that when the anticipated world recovery began to get up steam these prices would lift off strongly from their present barely economic levels. Now that it has become fashionable to recommend base-metal shares for the recovery that will surely come, it is pleasing to note that one mine is doing remarkably well current price levels.

It is the Rio Tinto-Zinc group's Palabora copper mine in South Africa. Palabora has been a lucky mine from its start in February, 1966. Helped by a recovery in the metal price coupled with the operating wizardry of Ed Hunt, this low-grade deposit containing less than 1 per cent. copper provided profits and a dividend within only eight months.

The luck holds. Palabora has the enviable advantage of low operating costs and, as this week's 1973 sales figures have shown, it is having to draw upon stocks in order to meet a domestic demand which has been boosted by the electrification of South African Railways. Meanwhile it is pressing on with a programme designed to raise annual production capacity by 30,000 tonnes to 125,000 tonnes in 1977.

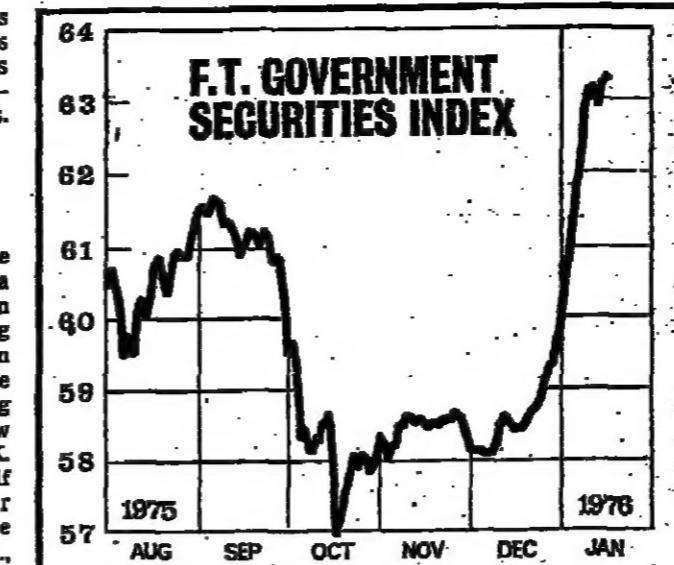
Naturally enough, the mine's profits have fallen from the buoyant levels of 1974 when four quarterly dividends totalling 120 cents were paid. A 12½ cent quarterly rate has been maintained for the first three quarters of 1975 and the year's final declaration is due shortly. The going rate is now \$35

pass the 1974 level in the current year, given a continued world economic recovery which should be led by the main diamond sales areas: the U.S., Japan and West Germany. Sales of small gems continue to go well while there are hopes that those of the larger stones will improve.

At the same time there will be the benefits of an overall price increase of 3 per cent which becomes effective from January 19. De Beers' revenue will also reflect the devaluation exchange gain and it should be remembered that the shares tend to be dominated by Wall Street which is looking encouraging at the moment. However, a close eye should be kept on developments in the worrying African political situation.

GOLD MINE WORKING PROFITS

Dec. quarter	Sept. quarter	June quarter	March quarter
R600k	R600k	R600k	R600k
14,458	14,824	15,754	17,785
4,985	4,911	4,911	4,927
12,473	12,753	13,837	14,857
5,036	5,068	5,068	5,097
*205	*181	*92	767
*232	*40	*439	33
30,094	15,905	15,972	12,737
324	*407	5,525	5,548
15,976	27,115	25,818	25,818
5,525	5,525	5,525	5,525
12,577	12,577	14,183	14,183
15,021	13,522	20,189	20,189
5,597	5,595	5,595	5,595
5,607	6,645	7,765	7,765
1,818	1,845	1,833	2,612
4,800	3,922	3,924	4,830
*563	*723	409	2,000
1,240	1,023	1,520	1,645
29,023	25,401	21,166	22,724
7,232	7,116	6,611	6,299
17,055	15,757	16,520	16,520
4,921	4,921	4,921	4,921
20,579	22,663	24,762	18,576
541	519	702	837
4,280	3,141	5,466	5,466
43,692	38,431	44,855	44,067
*112	*1,570	*1,161	350
2,245	2,245	2,245	2,245
39,579	22,663	24,762	18,576
2,114	2,096	632	850
541	519	702	837
4,280	3,141	5,466	5,466
43,692	38,431	44,855	44,067
*112	*1,570	*1,161	350
2,245	2,245	2,245	2,245
32,245	29,900	27,254	23,073
20,040	27,986	26,848	29,101
9,195	8,113	8,648	8,728



summer weather helped the tain margins; getting bigger and quarries divisions: the may be one way round this apparently rather paradoxical result lies partly in the impact of price rises—15 per cent for the year as a whole. The explanation for this latter held up well, increasing their profits by 18 per cent.

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Your savings and investments

Conflicts of interest

BY CHRISTOPHER HILL

ENT REPORTS that Slater who was reluctant to be named had bought SWS shares — said that there was no fund in its unit trusts from last mental objection but that if among the participants in the holding started to approach incestuous practices. He said in that it appeared that the 5 per cent mark the trustee purchases were made in the would want to know why. But the course of business and he thought that it was difficult my case constituted only to generalise and there was per cent of the total unit funds managed, a lower trust investing in companies other banks which ran unit groups. But it did raise the question of whether unit trusts to invest in the shares of management company's parent and associated companies whether this is undesirable view of possible conflict of est.

is an old chestnut and I remember being asked by

Slater in 1967 what I thought about the property of SWS shares in a unit portfolio. This was when it was about to make a launch of the Invan unit (now Slater Walker Ltd) and he felt that his shares were good for the in view of their growth prospects. My view at that time that there was bound to be conflict of interest eventually as share price went into and that it seemed unnecessary to go for one's own when there were sands of others to choose.

Around that time the unit trusts were often targets for risk concerning ests in Hodge-associated companies.

thing has happened to my views since, rather than the, but the weakness of against incestuous investment practices is that of the illustrious names sinking circles go in for. It also seems to elicit little excitement in trustee association debates. Tim, chairman of the Association of unit trust Managers said Association has not got a as such, but reckoned that one's own shares in portfolio was undesirable constituted an important finding (which can be if ad around a lot of trusts) was probably better avoided. On the other hand, he thought the individual investment manager had to retain his discretion and that the size of the holding was the deciding factor among the trustees, one —



ings and also reckoned that one had to look a lot closer at "insider" trading rules. After all, getting creature trusts to invest in one's own shares does get close to the border-line. But there is nothing to stop those investment manager of one of them admitted that it did happen to the merchant banks with unit because, especially in the financial world like merchant banks allow themselves a certain degree of latitude in this direction.

However, I thought that the merchant banks with unit because, especially in the financial

cial sector, there were comparatively few blue chip, marketable shares. But as a straight choice between his own company's and another company's shares he would rather go for the other company.

I think that there is an interesting parallel between what is permitted to unit trusts and what life assurance companies are allowed to do. Whereas a company may allow a trust to buy its own shares, according to the Department of Trade, the same practice would be frowned on in the case of a life fund buying the life company's shares. The spokesman said guardedly that while there was nothing specific to stop it happening it is generally accepted that it would be forbidden.

Nobody likes more rules and regulations but I feel that it would be better if trusts did not buy the shares of companies in which the management have an involvement. The public's attitude to insider trading and incestuous deals has hardened considerably in recent years and while the gods of the investment world like merchant banks allow themselves a certain degree of latitude in this direction.

However, I thought that the

news that the Government will three weeks has been in a state of constant euphoria with the intention to get the rate of inflation down to single figures again will be realised. It would therefore appear good news for those investors who bought stock in 1974 when the market was at its historical low. Their problem, now that they are out of the capital gains tax zone, is whether to sell and take the profit available or hold on for further rises.

Other investors attracted to the gilt market by the current rise may well wonder if they have missed the boat. But they have to take the same view as current gilt holders as to whether the market will continue to rise. In this respect an understanding of the causes of the present rise is essential.

The two main factors influencing the present buoyancy are the steady fall in the U.S. interest rates and the initial success of the Government's anti-inflation measures. The U.S. prime rates have been cut recently and further reductions are expected shortly. The \$6 per week limit on wage increases is being adhered to because the unions have supported the Government's policies.

Investors have basically to decide first whether this downward movement in U.S. interest rates will be sustained thereby putting pressure on U.K. rates also to go lower. Secondly, they need to assess whether the Government will continue to take sufficient action for the second phase of its anti-inflation measures.

The gilt experts consider that the second half of the year will be much more testing for U.S. interest rates. Some offer the opinion that they could move back up again and U.K. rates, at least at the short end, need to maintain a five point differential to keep overseas funds in sterling. But the immediate outlook is for a further fall in U.S. and consequently U.K. rates.

With National Savings' competitors in mind, it was also interesting to see this week that the Save & Prosper group is trading up the minimum investment it will accept to £250. This is a big jump from the previous minimum of £50 but is apparently not so hefty as it looks. The average investment in the group's trusts is closer to £1,000 and the high cost of postage now makes it uneconomic to handle small accounts.

There has been a lot of speculation concerning the measures that the Government will take from August and whether these will again receive 100% per cent. union support. But there are growing expectations that the

gilt market still holds the Government will avoid refloating too quickly and despite the recent fall. A gross return of 14 per cent is still obtainable on two undated stocks — Treasury 2½ per cent and Treasury 3 per cent. 1986.

The gilt market still holds income attractions for investors rates are very sensitive to the movement of medium-term gilt yields, especially those rates that are at the top of the market. When gilt yields fall, annuity rates must soon follow.

Finally, life company annuity rates are very sensitive to the movement of medium-term gilt yields, especially those rates that are at the top of the market. When gilt yields fall, annuity rates must soon follow.

A leading company, Royal Insurance, reduced its rates this week, while another company, Hill Samuel Life, is making a substantial reduction from Monday. Yearling bonds now yield 10%. Other leading companies have moved long-term yields attractive and watching the position very closely, often a euphemism for a cut coming very soon. Interested investors should act quickly, because annuity rates are likely to go lower over the next couple of months.

	YIELD %
Nat. Savings Certificates	7.6
British Savings Bonds	9.5
Building Society Shares	7.0
Treasury 9% 1980	11.4
Treasury 2½% 1984	14.1
Local Auth. Yearling Eds.	16.4

The way ahead in gilts

BY ERIC SHORT

BY CHRISTOPHER HILL

TOWARDS THE end of last week, the Jardine Japan investment trust issued a statement half the basic rate of income that it was having an argument tax. Double taxation of the Revenue about shareholder is avoided by giving whether the company should be him a tax credit on his gain or mainly from shares or securities. The normal interpretation of this is that 70 per cent of the fund should be invested but this was adjusted by Revenue consent to 50 per cent.

Revenue's indications that its status. But it is not as bad as all coming, but added that in any that in most cases for, if the event an adverse decision trust gets its approved would incur the company in no status in the following year, the additional tax liability.

This is because 1974 was not shareholder loses is limited to the period of loss of approval

but investors should remember and is apportioned on that basis.

And Jardine Japan looks to be in the clear for 1976 in any case, says that it was contesting the not available if the trust losses

Revenue's indications that its status.

But it is not as bad as all

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additional tax liability.

But even so some specialised

funds found it hard to comply

and the concession is only oper-

ative until April 1976. In the

interests of keeping investment

trusts as flexible as possible I

would have thought it desirable

for the concession to be con-

tinued despite the fact that

liquidity is clearly not going to

be the problem for 1976.

The post-stamp era

THIS WEEK the National Savings Committee held a Press conference to prepare the way for a campaign promoting National Savings, the "main drive" of which will be the voluntary workers. With the removal of the National Savings Stamp, the volunteers now seem to have lost the focal point of their role. (whatever its advantages were to the saver) and the concentration now looks to be on educating people to save and, explaining National Savings products—like the new index-linked schemes.

In fact, National Savings is not uncompetitive with the rest of the savings field with investment products—especially now

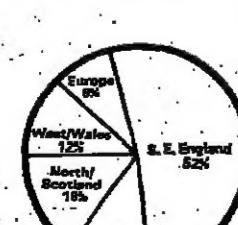
property investment. And secondly, we decided that in times of uncertainty, smaller properties would be better able than larger properties to retain their value as they were more marketable.

This policy has proved successful, for during the steady market conditions of 1971 to 1973 the value of the properties in our fund did in fact increase steadily, resulting in an increase of 30.9% in the offer price of units by January 1974. In 1974, when property values fell, the value of our

properties and the price of units fell significantly less than the property market in general. Since the beginning of 1975 the price of units has once again been rising.

For the future we believe that by following this policy of maintaining a highly selective portfolio of prime properties, the Save & Prosper Property Fund will be well placed to meet most market conditions. In particular, the fund is especially well suited to current market conditions, as explained below.

The Current Portfolio
The Fund currently consists of 65 properties throughout Britain and continental Europe and is almost fully invested in property in the proportions shown below.



The Fund's main office holdings are in the larger provincial towns and cities such as Bristol, Guildford and Sheffield—all areas experiencing significant land and where the managers believe prospects for rent increases are good.

We did not purchase office properties in the City or the West End of London in belief that rents, at the rates then prevailing, were very vulnerable. This policy has been fully justified as lack of demand in last two years has led to substantially lower rents and capital values.

Past Performance
With the ending of the freeze on commercial rents early in 1975, much of the uncertainty in the property market was removed. Confidence in the long-term viability of prime property as an investment largely restored with a resumption in the property market. This has led to an increase in some property prices, although there are certain property types where the prospects remain uncertain.

Future Prospects
The offer price of units in the fund rose steadily from 100p in March 1971 to 130.9p in January 1974. However, following the decline in property values in 1974, the price of units fell to 102p in January 1975 but has since risen to its current price of 123.7p. While property should represent a relatively stable and worthwhile investment in the long-term, it is important to remember that the price of units will fluctuate, reflecting changes in the valuation of the assets.

4% - 8% p.a.

WITHDRAWAL FACILITY

When you invest £1,000 or more in a Bond, you may withdraw between 4% and 8% of your original investment each year.

Basic rate income tax payers will have no liability to this rate of tax on withdrawal of any amount.

Higher rate and additional rate tax payers may withdraw up to 5% of the original investment each year for the first twenty years without giving rise to any liability to these rates of tax during that period.

In using this facility you should bear in mind that any rate of withdrawal that exceeds the growth rate of your investment will result in a decline in capital values. For this reason you can vary your withdrawal rate or discontinue using it, subject to two months' notice.

Payments are made half-yearly on the last day of the month you select, the first payment being not less than two months after the purchase of your Bond.

How to Invest

To purchase an Investment Bond linked to the Save & Prosper Property Fund, please complete and return the proposal form, together with your cheque. Units will be allocated at the price ruling on receipt of your proposal.

Before purchasing your Bond you may wish to consult your usual professional adviser—accountant, stockbroker, solicitor, bank manager or qualified insurance broker.

Professional advisers requiring further information should contact Save & Prosper Services Ltd. on 01-331 7601.

This is the company set up to provide information and guidance to advisers on how our services can help in all aspects of financial planning.

Everything else you should know

Unit Pricing. The Property Fund is divided into units which are normally reviewed monthly, though more frequent valuations can be made if necessary. The offer price is the price at which units are sold and the closing price is the price at which units are bought. The cash-in value of your Bond will depend on the offer price ruling on the day you sell.

Save & Prosper Investment Bond. This is a unitised investment bond, similar to a unitised pension scheme, and is a tax-free investment. It is a tax-free investment.

Interest. Interest is paid annually on the cash-in value of your Bond. After you die, your dependants will receive between 10% and 25% of the cash-in value of your Bond through the Withdrawal Facility.

Switching Facility. At any time you can switch your investment from the Property Fund to one of 25 other S&P funds without incurring any personal capital gains liability. Full details are given in the booklet that is sent out with your Bond.

Cashing in your Bond. You can cash in your Bond at any time and receive its full cash-in value. This is based on the last price ruling on the day of cashing in. However, we reserve the right to delay repayment or switching for a period not exceeding 12 months, in order to avoid having to sell property that has been held for less than 12 months. This has been done to ensure that only best in exceptional circumstances.

Charges. There is an initial management charge of 1% plus a standing charge not exceeding the lower of 1% or 1% which is included in the offer price of units. There is also an annual charge of 1% to cover the costs of running the Fund to cover life insurance and administrative costs.

The costs of property management, valuations and other expenses of the Fund, including buying and selling properties, are borne by the Fund.

Current Tax Position. You have a personal liability to capital gains tax in connection with your Bond, both while it is in force and when it is cashed in.

Liability. There may be a liability to higher rate and/or additional rate tax if you are, or become liable to the rate of tax during a year in which you cash in part or all of your Bond or part or all of your Withdrawal Facility.

Death. During the first twenty years, the tax charge at that time will be only 10% of the cash-in value of your Bond.

Switching. At any time you can switch your investment from the Property Fund to one of 25 other S&P funds without incurring any personal capital gains liability. Full details are given in the booklet that is sent out with your Bond.

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Declaration. I declare to the best of my knowledge and belief that I am in good health and that the answers to the foregoing questions whether in my handwriting or not are true and complete. I agree that this proposal, together with any statement signed in the presence of the Company's medical officer, shall be the basis of the contract with Save & Prosper Insurance Limited.

Medical Examination. I understand that my doctor may be asked to make a proposal for life assurance, and I authorise the giving of such information.

Signature. _____

Date. _____

Agent's Stamp. _____

204/17/76

SAVE & PROSPER GROUP



Finance and the family

Becoming resident again

BY OUR LEGAL STAFF

My wife and I, after having lived for many years abroad, returned to England about a year ago. We have continued to operate an external account and bought certain foreign shares ex premium. If we decide to stay here and are redesignated U.K. residents, would this date from our return or from when we sought re-designation? What do we do about our foreign securities as regards an authorised depositary?

If you decided to become resident in the U.K. again, it appears that your redesignation would not be back-dated to your return to this country but would date from the day on which your application was accepted by the authorities. In this case, your foreign currency securities bought after your return but before re-designation would be given normal immigration treatment; they should be deposited with an authorised depositary and should qualify for the investment currency premium two years after the change in your status.

Refusal of a loan

Although I have a good salary and am not financially embarrassed in any way, I have twice been refused a loan in the last year or two and am wondering whether some credit rating organisation has blacklisted me. Can I insist on being informed as to why my latest application has been rejected?

You have no right in law to insist on being given the reason for the refusal of a loan. You may, however, try to obtain the information by writing to your proposed lender (preferably to the Chairman or Managing Director), stating that you are not necessarily seeking to re-open your application but that you have reason to suspect that there is a wrongful attribution to you of a liability or judgement which affects your credit rating, and asking for the information in order that you may take steps to correct any misinformation which may have been entered against you.

Resiting a garden shed

On November 15 you informed a reader, under the heading Resting a garden shed, that such action could not be undertaken without planning consent. As I want to move my shed, is it not the case that

within the garden of a house buildings other than dwellings incidental to the enjoyment of the house could be erected without consent and that this covered greenhouses and sheds up to 12 feet high with a pitched roof, or 10 feet otherwise?

The question which prompted your query arose in particular circumstances. You are quite correct in stating that a greenhouse or shed may be erected within the curtilage under Class I(2) of the General Development Order. The height limit is now three metres or four metres with a ridged roof. You should be able to move your shed, as you state.

Establishing a private lottery

Our local Football Club intend to start in January, 1976 a club in which each member may subscribe £1 per month, and at the end of each month there will be a draw for one prize of £100. In the months of March, June and September, 1976 the one prize will be £200 each month. In mid December, 1976 there will be two draws with one prize of £250 for each draw.

The above may fall within the category of small lotteries, being merely incidental to certain entertainments, that is, football, and as such are exempt from the provisions of the Act.

In view of the cash prizes do you think such a lottery would be exempt under the Act?

As the amount of the prizes is exceed the limit under Sec-

tion 45 of the Betting, Gaming and Lotteries Act, 1963, you will have to make it a private lottery which could be removed, while under Section 44 of that Act. You must adhere strictly to the conditions laid down in subsection 44(2) and also the club must be one established and conducted for purposes NOT connected with gaming, betting or lotteries, that is, you should not establish a separate club for the sole purpose of the lottery as indicated in your letter.

Storage heaters as fixtures

Under Scots law, are storage heaters supplied by off-peak electricity regarded as fixtures?

Whether an article can be removed from the house by the seller depends on whether it is a fixture or fitting. Fixtures are part of the heritage while fittings are moveable and are not included in a contract of sale of a house unless expressly included.

As to what is a fitting in the circumstances is a question of fact.

There have been many cases about which household articles come within which category, but these are generally older cases which were decided before storage heaters were invented.

However, such things as grates and gas fittings have been held to be moveable but electric wiring has been held to be a fixture.

Generally, the test is whether the article can be simply physically removed without damaging or altering the heritage. From that it would follow that a Court would most prob-

ably hold that the actual radiators were moveable fittings which could be removed, while the wiring and junction boxes would be part of the heritage.

Transfer into joint names

I am getting married soon and wish to transfer the (registered) title of my house in Lytham St. Annes into the names of myself and prospective wife as joint tenants. Can you tell me the simplest way of doing this? Can you recommend any useful book on the subject?

You can use a simple printed form (Form 19) as provided in the Land Registration Rules 1925, Appendix B, stating that "In consideration of my natural love and affection for (wife) I (EF) hereby transfer to her."

Stamp duty must be paid on this transfer. Forms can be obtained from H.M. Stationery Office, Brasenose Street, Manchester, or you may be able to obtain prints from Lytham District Land Registry. You may derive assistance from Ruoff's Concise Land Registration.

VAT charge and alterations

I have recently had some alterations, not repairs, carried out to my central heating system and find that VAT has been charged on the whole bill. Is it not correct that VAT is chargeable on repairs but not on alterations?

Although it is broadly true to say that VAT is chargeable on repairs but not on alterations, there is a grey area in which opinions may well differ as to which VAT category any particular job falls into. It is understandable tempting for a firm to protect itself against a claim for VAT by adding 8 per cent. to the bill in cases of damage (as well, of course, as in cases where VAT is clearly payable). The distinction is harder to draw than one might reasonably expect, even after two years' experience of VAT in this country.

There is some guidance (and at least an indication of the puzzles) in VAT Notice 715, "Alterations, Repairs and Maintenance" which should be obtainable from your local Customs and Excise office, or from 39, Marsh Lane, London, EC3R 7HE. Meanwhile, you could protect your interests by disputing the firm's right to add 8 per cent. to the bill and inviting them to state the grounds upon which they defend it.

Severance of tenancy

In your issue of November 23 under the heading CTT and bad husbandry you indicated that substantial CTT savings may be effected if the present joint owners sever their joint tenancy and separately assign to you their equitable interests, could you please let me know, how and why this will save CTT? Also was it assumed that the aunt and uncle referred to in the question were not married to each other?

It will be appreciated that it was stated that the suggestion made in the reply in question was subject to the need to obtain full advice in relation to the particular circumstances. The point of severance is to separate the sources should be so married.

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Careers Work by degrees

LATE IN 1970 most of us in the university careers advisory services saw unmistakeable signs that demand for graduates was going to be much smaller than during the whole of the previous decade. Many of us started uttering warnings.

At Cambridge, for example, I remember writing early in the year to tutors, suggesting they should urge their pupils to begin thinking early about their careers, and to look at a wider range of alternatives than new graduates had been accustomed to considering in the "fifties" years. In January, as the recruiting season proper began, my colleagues and I sent a note to people on our books, giving the same message. Our aim was not to engender panic, but to counsel caution.

It was all of little avail. True, most of the tutors accepted the truth of our message, and passed it on, but the undergraduates themselves took little notice. And, of course, given the circumstances that had prevailed for so long this was not at all surprising. Since the mid-1950s graduates had been in a seller's market.

By the summer of 1971, the fact which has made that particular academic year stand out in the employment mythology was horribly clear even to those whose enduring confidence that the pattern was not really changing had rendered them impervious to early warnings: many employers had stopped wanting graduates at all. There were dramatic cutbacks in recruitment, in some cases literally between one week and the next. Among large industrial firms in particular the demand seemed to last. Inevitably, the belated recognition of the new truth came as an unpleasant shock to many, and the repercussions continued for several years.

They included the fact that graduates were put off the idea of working in industry. The figures published annually showing first destinations of graduates tell the story with all its consequences for industry, which for the past two or three years was unable to fill all its graduate vacancies with suitable applicants.

I have gone back over all this ground because, although a sudden burst of dismay circumstances prevailing today Students are responding rationally and carefully to the situation over employment are t. They are planning rather superficially similar to those than panicking.

One measure of their response effect which they are having on is the fact that they have been graduates and employers are setting about the search for utterly different. There have been employment far earlier than during the whole of the previous decade. Many of us started

important changes in attitude. At Cambridge, we have had a 20 per cent increase in the number of final-year people seeking discussions with us in the first part of the academic year, and conversations with colleagues in other places convince me that our experience is not unusual. Obviously, as always, many of these students are not seeking immediate employment as their first choice of activity, but rather are looking for places and grants for

"No final year student is likely to feel that abundant confidence that his predecessors felt."

Further training of various kinds. They are under no illusions about the chances of obtaining grants — and those who are planning to do academic research are under no illusions about the number of lectureships likely to arise in universities in the foreseeable future.

Nevertheless, no one can be unaware of the fact that there are serious employment problems nationally, and no final-year student, surely, can avoid hearing or reading some of the (often overstated) stories of unemployed or unemployable graduates which delight the anti-higher education lobby. No final-year student, therefore, is likely to feel that abundant and unquestioning confidence that his predecessors felt.

Anxiety about finding jobs is indeed widespread. But unlike four years ago it is, so far as I can judge, a controlled and expected anxiety rather than

anxiety about finding jobs is indeed widespread. But unlike four years ago it is, so far as I can judge, a controlled and expected anxiety rather than

the behaviour of students, which I have described, are encouraging not merely for 1976 but for the longer-term future. Why the predictions for 1976, and the behaviour of students, which I have described, are encouraging not merely for 1976 but for the longer-term future.

Now, the tide of response appears to be turning. If for any reason demand dried up again, there would probably be another long period of apathy or hostility; intellectual men and women simply will not accept a situation in which demand is turned on and off like a tap. The best hope of ensuring a steady supply of able people lies in maintaining a steady demand, and that is why the predictions for 1976,

and the behaviour of students, which I have described, are encouraging not merely for 1976 but for the longer-term future.

Many students, of course, are looking for jobs in 1976, and many of my employer friends report already large increases over last year in the number of applicants for their vacancies.

If we are right in assuming that large employers, in industry and elsewhere, will continue in the long term to need a steady and continuing intake of graduates (and surely that is a reasonable assumption, if only because of the rising proportion of the population who now embark on higher education rather than enter employment as school leavers), what is happening in 1975-76 is of considerable significance.

Faced with uncertainty, graduates seem to be doing this year the things which we have advised them to do for years.

They are starting to make their plans early. They are looking

Insurance

Storm and flood

BY JOHN PHILIP

LAST WEEK I sought to allay some of the fears that some policyholders might have concerning the effect of underinsurance on their household damage claims arising out of the new year storms. But having got underinsurance, so to speak, out of the way, there are a number of aspects of storm damage claims that may worry the potential claimant who, perhaps for the first time, is getting down to a careful scrutiny of his household policy.

Unless it is one of the relatively few that provide "all risks" cover the household policy will detail the perils that are covered. Look at almost any household policy and you will see two phrases, "storm and flood" and "subsidence and landslip," against which cover is provided. But the extent of this cover differs, depending on whether you are claiming under your "contents" or "buildings" insurance.

Forms can be obtained from the Land Registry Office, Brasenose Street, Manchester, or you may be able to obtain prints from Lytham District Land Registry. You may derive assistance from Ruoff's Concise Land Registration.

Storage heaters as fixtures

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You can use a simple printed

lost or damaged in the home, while others are prepared to provide full cover on payment extra premium—usually £2 per annum. Insurers almost always include damage caused by storm or flood in the definition of "subsidence and landslip." what pens to the policyholder if his home is damaged by subsidence or landslip.

This would apply whether his "storm and flood" damage to possessions have say, got washed away through the doors and windows, or have fallen down the cliff onto the beach and been smashed to pieces.

The owner occupier has to pay for the repair claim for damage to decorations to a brick or concrete wall, apart from the first £15, but will probably have to bear the cost of repair to the fabric of his fence, however sturdy its construction.

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Motoring

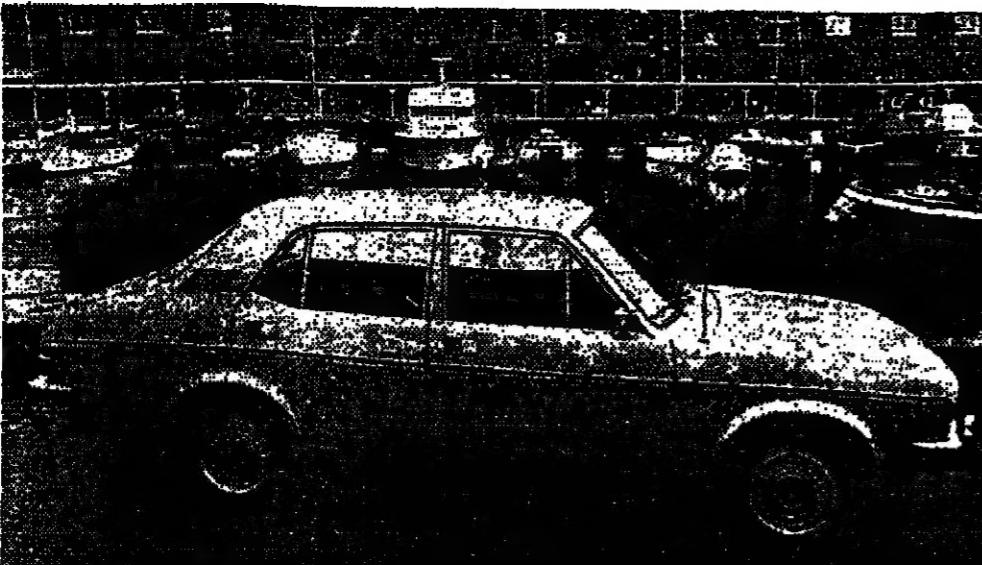
Tass market Marina

Y STUART HAYES

Morris Marina was chosen nearly five years ago by British Leyland's candidate for the fleet market. Because buyers are unimpressed by unusual sophistication but put upon low servicing rates it was designed on conventional lines.

A company which had never mass-produced wheel drive in Britain the Mini, 1100 and 1300 is, the Marina represents a simple about turn. Its rear was mounted fore and not sideways, and drove the wheels. The suspension independent at the front, a leaf sprung rear axle, or its two door fastback or four-door saloon body, the Marina was a latter-day version of a 20-year-old Morris Minor, was—and still is—a success intended market. And very qualities that appealed to fleet buyer have made it dear with car users who care about mechanical details as they do not go wrong at year, the Marina, with 2 registrations, was in's fourth most popular

The best sellers were the Cortina (106,787) and 1300 (103,817)—cars which Marina was designed to compete with and which it is roughly half-way between. Somehow, it lacks the drama of the Ford cars, with motor sporting associations. A Morris Marina Owners' Club has been formed to help it give it a more visual appeal. A new petrol. The gearbox is pleasant makes the interior seem—apart from reverse being automatic seat belts and heated



more spacious and stiffening up the suspension with front and rear anti-roll bars has greatly improved the handling.

The Marina 2.1 Super four-door I have just tested steered well back there is adequate leg and knee room for the rear passengers and the driving position is good. Controls for the Super compared with £1,715. Buyers prepared to do without wheel trims, rubbing strips and a cigarette lighter, and whose sensibilities are not offended by plain upholstery, may consider the de luxe a better buy. The price difference between the four-door de luxe and Super is £80—£1,795 for the Super compared with £1,715. Buyers prepared to do without

the single-wipe facility, electric screenwash, headlamp dip and flash are sensibly arranged

so that they do not go wrong at all.

Marina 2s are much better equipped than the previous ones. The 1.3 models have front family holdall for the economy-minded to whom performance is not the main consideration. While the 1.3 Marina is hardly a car to enthuse over, it is enjoyable to drive and quite refined within its modest performance limits. The bodywork seems a bit tatty when you close a door; extra sound deadening would help. But it is a roomy enough for five at a pinch and has a good boot and those who try to cut costs with do-it-yourself servicing will find the vital parts easy to get at.

Golf

Pressure on Weiskopf

S QUITE extraordinary how circumstances his "majestic three wood shot pin high. On pulse quickens, the ball begins to slow again—a great outburst of enthusiasm carries one away at the start of a new golf season, despite the fact that the old one only weeks previously had to a half mind you, the climate experienced on it is my first visit to the Sonoran desert, acts as powerfully as anything could toindle one's interest in professional golf. The flawless, sun-drenched days that see the sunny rise to a comfortable,idity-free 80 degrees from and a distinctly cool early temperature of 40—make air-conditioning thankfully redundant—the weather I have yet experienced.

ed to say, the standard of play in the Phoenix Open this weekend, at the Phoenix Country Club, is to be as torrid as the unending sunshine. It remains to be seen whether the extraordinary Californian Johnny Miller can replicate the brilliant he made to the past two weeks in Arizona. One could only forget that he had won last year, he was a phenomenal 49 under par here in nearby Tucson, out-dueling competition by 14 and playing directly behind us. When he can qualify, though he still hopes to qualify, though they still have some way to go.

Kirker was expected to start when sailed by Chay Petty and his crew of partners in the last race around the world. She leads the Finn-

er Clipper Race fleet by estimated 70 miles from the time the new rudder was built

two years ago from the right. Irwin had faded in a superb in the game's parlance, Irwin equipped.

right of the pin at the par three

Weiskopf looks more impressive than ever, which is saying something, but it remains to be seen into his intellectual approach at whether he can conquer the 375-yard 14th. A simple par four is made potentially

dangerous by a high chain-link fence running the self-destructive form, three-

putting five times in his fatal right.

A large single bunker to the left peeps out of the

profusion of trees and shrubs

naturally gifted golfer of all cacti, some nearly 50 feet high,

the great ones. In Wednesday's pro-am, in which I was cannot leave alone.

Last year, he was a

privileged to play alongside

Hale Irwin who is in the same

class as a golfing strategist as

he is a striker, Weiskopf was for a long iron. But Irwin

teed his ball very low, aimed it

we were delayed for the at the left-hand bunker,

unfortunate to purposefully struck the ball

fairway, we crossed over to this, and faded it back to the

watch tall Tom strike his tee

shot at the 231-yard 18th, a fine driver. His reasoning is simply

that if he is in contention this

hedge on the left and water to weak-end, his game is not quite off.

ready after a two-month lay-off.

Irwin had faded in a superb in the game's parlance, Irwin equipped.

British ketch Great Britain II, her Joint Services crew of 16 men from the armed forces, rounded Cape Horn in early hours of yesterday morning or exactly equaling the time taken two years ago from Sydney to the Horn by the Kriter II, skipper Olivier Kersauson and his cook-bosun Georges Commarmond are both still hoping to qualify, though they still have some way to go.

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er Clipper Race fleet by estimated 70 miles from the time the new rudder was built

two years ago from the right. Irwin had faded in a superb in the game's parlance, Irwin equipped.

in both directions under sail through almost constant day light and icebergs, has averaged allowed to keep it because an estimated 10 knots. Two the same sweepstakes Olivier de years ago, when taking line Kersauson, not knowing Mullen-honours in both the legs of the d'or's prediction, forecast he last race from Sydney to Rio would arrive on February 24 de Janeiro and from Rio to and it is worth remembering that he and his crew were busy

Portsmouth, she completed the that he and his crew were busy first leg in 40 days and the second in 31, 71 days from 60 knot gales when the rudder Sydney to English Channel or fell off their yacht. Many of

two days longer than the time those who were in Sydney taken by the record breaking Frenchman asking the taciturn English skipper whether he wanted him to wait at Dover for the British crew before sailing on to London. Now, it seems, it will be the British crew that will be doing the waiting, their eyes anxiously on the calendar, the clock, charts of the western approaches and the weather maps. If the French did manage to beat a time already set as a record by the British crew, it could stand for many years until another crew in a maximum sized yacht can be gathered together to better it.

But it is perhaps a little early for these predictions as Cape Horn is not half way home along the route to Britain from Australia.

Great Britain II has made the crew of Great Britain II, her skipper Chief Officer Roy Mulleder and his right hand man, Chief Petty Officer Bill Porter celebrate a leathery of the French crew aboard the Royal Naval for the chase ahead.

Adventure when she Great Britain II has made

surely they must qualify better than 200 miles per day.

membership of a very unique for the distance, and by taking

Chay Blyth has rounded a route well to the south the question will then remain

Travel

Ole Mexico

BY PAUL MARTIN

THE MEXICANS took a short somewhat spurious cult lesson in international diplomacy recently, and in its praises and the former little town of months ago Mexico played a rash of hotels spreads both along the waterfront, which results it was the Jewish population of the U.S. east coast. The

holiday cancellations began to flow, and yet another Government learned that some political stances can be expensive.

It is hardly surprising therefore that Mexico is now more enthusiastic than even in its campaign to broaden its tourist horizons.

With the huge American market so close by, there is little she can do other than increase the non-American proportion by a few per cent,

but she is at least determined to make the attempt.

In spite of all the cement, it would be churlish to say that Acapulco is a fascinating resort.

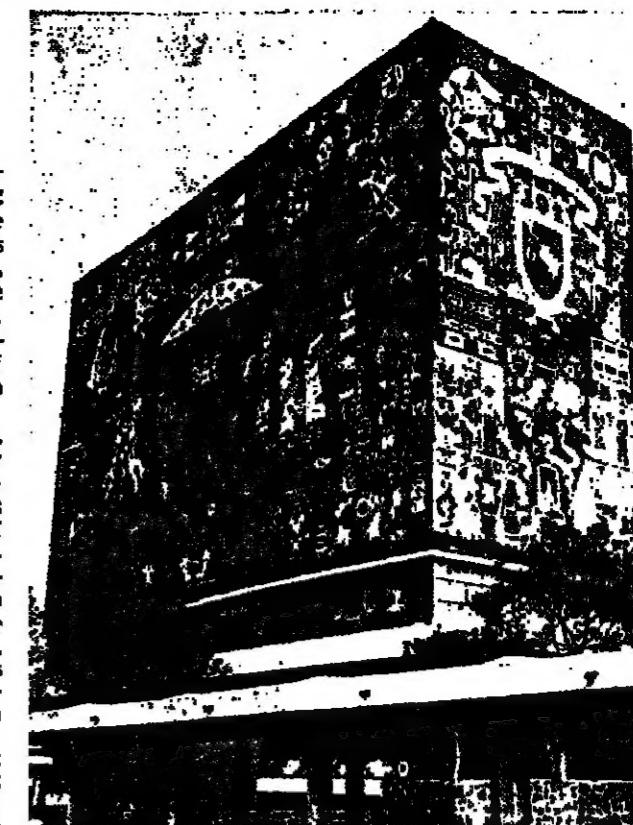
I would return there if only to see the spectacular display, both by day and by night, of the high divers who hurl themselves off a craggy rock top in La Quebrada.

After fanning-out into a graceful swallow-dive, they

plunge into a narrow inlet 135

feet below. Acapulco nonetheless less is one of the least Mexican

places in Mexico, and the tourist authorities are determined to Zihuatanejo, where the existing



The University Library, Mexico City

in such a way as to preserve the ambitious Ixtapa project.

Conservation is a primary concern and as many trees as possible have been retained to form the natural backdrop in

which marinas, golf courses and swimming-pools will be added.

Your weekend 6: Austria M.25, England

22, France 120, Italy 120, Greece 75, Spain 210, Switzerland 52, U.S. 220.

Source: Barclays Bank.

Heading for the outlandish

IT MUST BE something in the air of our urban life today that sends more and more Britons scurrying for the wilds—trekking King in Turkistan, fishing from Friesland or simply roaming around Romania. The demand for this type of holiday, both in Britain and abroad, is considerable.

While the 1.3 Marina is hardly a car to enthuse over, it is enjoyable to drive and quite refined within its modest performance limits. The bodywork seems a bit tatty when you close a door; extra sound deadening would help. But it is a roomy enough for five at a pinch and has a good boot and those

who try to cut costs with do-it-yourself servicing will find the vital parts easy to get at.

Not far away are the great pyramids of Teotihuacan, all that remains to-day of a pre-Columbian city built, as Mexico DF is, on marshy ground.

Under an hour's flight away from the capital, the major regular expedition to Everest land social life.

One of the best sources of information on sport and adven-

ture watching in Nepal and, ture holidays generally, both in

mainly for foreigners, escorted to our "around wildest Britain."

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3FN. Finlandia Travel Agency, 49, Whitcomb Street, London, WC2. Thomas Cook, 45 Berkeley Street, Piccadilly, London W1A

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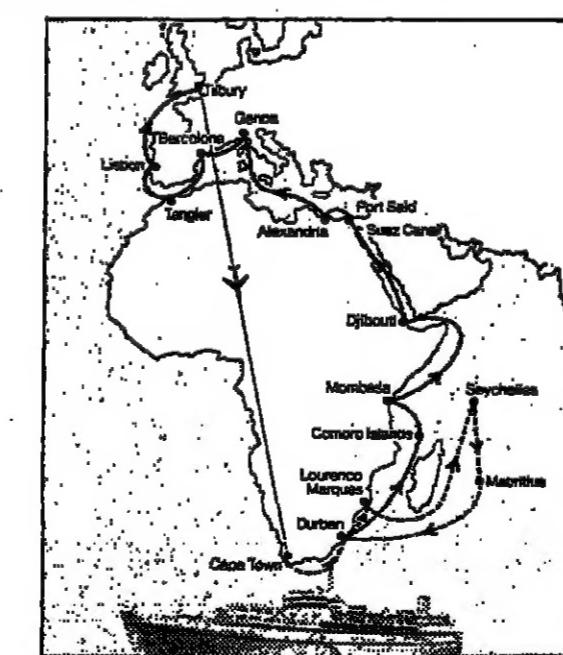
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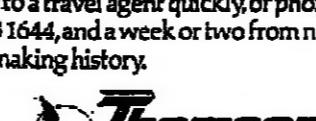
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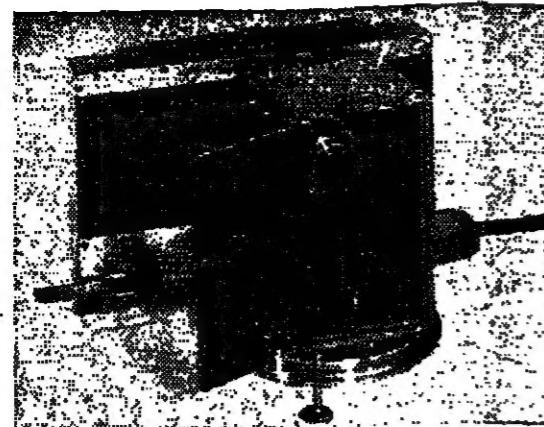
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Pantoscopic camera, 1862. To be sold at Christie's South Kensington on Wednesday, January 21st.

It is a century and a half since the first photograph was achieved; within twenty years of that historic event photography was providing the most uniformly objective record of people and events that had ever been available. This is, in itself, a good and sufficient reason why the bygones of photography should be preserved and recorded and even the most casual surveying of the information to be derived from a batch of pictures taken a century or more ago is an exciting experience. But then, added to all this is the fascinating 'hardware' of the art. It has been continuously produced from a time when it was the very individual product of single craftsmen, or of quite small workshops, right up to the present era of computerised mass production. Within the field of photographic equipment to be found an unequalled record of manufacturing technology during a period of ever growing scientific progress. And, of course, the artifacts concerned are mostly small enough to be collectable.

The growth of this area of collecting in the last five years has been nothing less than dramatic: five years ago it was confined to the merest handful of enthusiasts. Today there are collectors in every major community in the world, and many of them are prepared to travel half way round the world to attend a sale which offers additions to their collections. For further information about cameras and photographica sales, please contact Ted Holmes at the address below:

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Collecting wisely

If birds take your fancy

BY JUNE FIELD

AFTER the display of stuffed barn owls at the Great Exhibition of 1851 no Victorian home was complete without its complement of stuffed birds and animals to adorn the mantelpiece or fireplace. The rather macabre art of taxidermy, where the skins of various creatures are preserved so that they look as good, or even better, than they did when they were alive became respectable.

Soldiers and sailors brought parrots, macaws and parakeets to be stuffed and given as presents to sweethearts and wives. The gentry commissioned explorers or grand tour travellers to return with the skins of rare birds, which in turn were stuffed and mounted on pedestal and plinth, and covered with the ubiquitous glass dome or case.

Unless there is an inscription on the plinth, the models are difficult to date, although the colour of the plumage is often some indication. A dull appearance can mean an early bird, and a brighter one could be after 1880, when the technique of preserving the colour in the feathers was perfected.

Small birds, such as the colourful humming variety,

would be enclosed between shallow glass to form a screen.

Making feather screens was

considered a decorative art suitable for women, and a late 19th

century household guide referred to them as easily being

made by amateurs with a com-

paratively small amount of

trouble. "The work is not

beyond ordinary skill, and we

have seen some very good ones

made by ladies, though the stock dove, "the metallic

sight of raw flesh, and the

necessity of getting over

scruples about touching it with

the fingers often deters them

from attempting the necessary

operations."

The implements required

were a good, strong penknife,

very sharp at the point, a quill

pen, a small quantity of flowers

of sulphur, arsenical soap,

wadding, cotton wool or tow, a

smooth board, some twine, a

arning needle, some strong

pins, a hammer, and some

copper bell wire.

"Assuming that the reader is

totally ignorant of the art of

bird-stuffing," the little woman

was then given very precise,

step-by-step details of what the

long, finicky process entailed;

a pedestal sold for £52, and a

artificial bird's eye was sug-

gested to "be bought of bird-

stuffers at 1d, or sometimes 2d

a pair."

In selecting a bird for making

a screen, "whether from the

poulterer's shop or from the

devotee of a farm-house or else-

where," the main points were

"to see that plumage is good,

the quill-feathers of the wing

fully developed and perfect in

their graduated lengths."

Among British birds considered

suitable were pigeons, black

game, woodcock, curlew, gulls,

and sea birds, as well as the

stock dove, "the metallic

sight of raw flesh, and the

necessity of getting over

scruples about touching it with

the fingers often deters them

from attempting the necessary

operations."

"We wish it, however, to be dis-

tinctly understood that the

wanton destruction of birds for

this purpose is strongly to be

deplored. There may always

be found a large supply of dead

birds to select from, without

having recourse to unnecessary

cruelty."

For the collector prices vary.

The occasional small boxed

bird can still be found between

£5 and £10 in the country shops

and markets. At King and

Chasemore, Pulborough re-

cently a handsome goshawk in

a pedestal sold for £52, and a

artificial bird's eye was sug-

gested to "be bought of bird-

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stuffers at 1d, or sometimes 2d

How to spend it

Winners
of the
Quiz

response to the quiz set last Saturday of the year. The page was exceedingly good and I am glad that so many of you seem to have had some amendment from it. It certainly wasn't a cult one and almost nobody who entered it got everything right. The ones that caused the most trouble were numbers 8 (the puzzle) and 11 (the logic problems).

So many of you got something right it does seem like records were set three times, but there it is. To be entirely fair we took all entries on the last day they were accepted, say 12, shuffled them off, and then started sorting them.

Sixty-four of the first three correct entries we opened each receive three bottles of amaretto in the next week. They are: Mr. S. J. M. J. Braydon Drive, Berkhamsted; Mr. A. H. N. I. Beaumont Road, London NW3; and Mr. V. McWilliam, 108, West End, Handsworth Wood, Birmingham 20.

Indeed to two very well-read readers who sent me letters on the subject of Edison the light bulb. Though for purposes of the competition I inverted the right bulb name you had made me in identifying him it appears that this does not affect historical fact. The honour goes to a gentleman by name of Swan—Edison was, according to one of my learned respondents, a brilliant entrepreneur, a judge of the mercantile potential of nations of the highest and valued sort, but he was no inventor.

"We had an Edison in in to-day," writes my respondent, "the face and name of Britain would be formed in ten years. Native genius abounds but is a lack of that entrepreneurial flair which causes risk to apparent significance. Please may we consider Edison for what he is a unique entrepreneur, a noteworthy inventor." So all the quiz setters of future take note for here is a more common conception I have yet to n of it.

all the winners enjoy r champagne and my thanks to you who took part correct answers are:



Actor Kenneth More playing Father Brown, created by G. K. Chesterton.

1. Who's who



Actor Albert Finney playing Hercule Poirot, created by Agatha Christie.



Actor Peter Cushing playing Sherlock Holmes, created by Sir Arthur Conan Doyle.



Actor Ian Carmichael playing Lord Peter Wimsey, created by Dorothy L. Sayers.



Actor Roger Moore playing Simon Templar, created by Leslie Charteris.

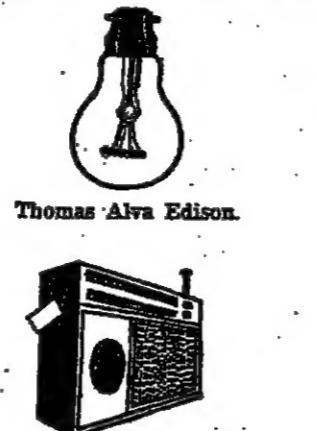


Actor Rupert Davies playing Inspector Maigret, created by Georges Simenon.

2. Who invented what?



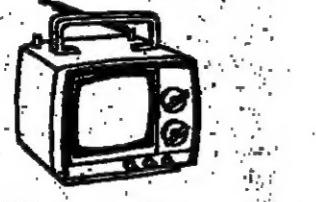
Alexander Graham Bell.



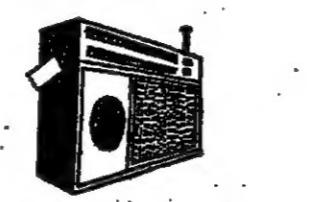
Thomas Alva Edison.



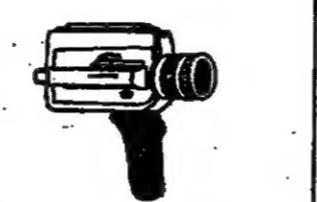
George Eastman.



John Logie Baird.



Guglielmo Marconi.



William Friese-Greene.

A mood of quiet confidence continues to pervade Abbey Property Bonds.

Like most good investments, Abbey Property Bonds have had a pretty successful year.

The value of the units has increased by about 30%.

The question is: will 1976 be successful also?

Because if you're about to invest with us, the future is obviously more important than the past.

There are very good reasons to be optimistic, although it would be most unprofessional of anyone to predict another 30% rise, since this was magnified to some degree by the very poor results in 1974. That being said, almost all the conditions which gave rise to the growth of Abbey Property Bonds this year continue into 1976.

Let's go through them one by one.

THE DE-CONTROL OF BUSINESS RENTS

To a large extent the value of business properties depends on the rents they command.

And as you probably know, between November 1972 and March 1975 rents were frozen. This was one of the reasons for the fall in price of our units during 1974.

However, the government lifted rent restrictions earlier this year and the subsequent effect has been that the Fund's rental income has increased from £6.6m to £8.4m.

In 1976 the increase should be even greater as a significant proportion of our leases are coming up for review over the next twelve months.

LIFE COVER
The bond automatically provides life assurance cover for the amount payable on the death of your unit holder. The amount payable will be either the current surrender value of your Bond or the guaranteed life assurance cover, whichever is the greater. The level of life cover and the surrender value available to your Bond will be reduced if withdrawals are made.

INVESTMENT
The whole investment element (min. £100) secures accumulated units at the prevailing offer price in the Abbey Property Fund. The Fund Managers, the Investment Division of Abbey Life Assurance Company, manage the industrial and agricultural properties. Investment policy is determined by the Company and is flexible. A proportion of the Net Assets of the Fund is invested in property and up to 15% in overseas properties. A proportion of the Fund will always be kept liquid in easily realisable assets.

It is generally not the policy of the Fund to buy back a significant portion of the existing portfolio in order to make further investment. Current borrowing arrangements to less than 5% of the total assets of the Fund are available for properties and other investments acquired in earlier years with existing mortgages.

VALUATION
Unit prices are normally calculated weekly on Tuesdays to take account of the movements in the properties in the Fund's independent valuers, Richard Ellis, Chartered Surveyors, and for the farms, Clutton's, Chartered Surveyors.

The valuations are conducted in line with the recommendations of the Royal Institution of

This rental income is retained by the Fund and, together with any capital appreciation, helps increase the value of our units.

OUR TENANTS

We think it's important to say something about our tenants, as their quality is as important to the Fund as is the quality of the properties themselves.

A quarter of our five hundred or so tenants are government bodies. Furthermore, we help house more than half the top hundred companies in the U.K.

It is they, besides the buildings themselves, that provide the essential stability a property fund needs for long term growth.

THE ADVANTAGE OF SIZE

The Abbey Property Fund stands at £180m. It is, and always has been the largest in the land. As a result it has been able to maintain a balanced portfolio of the best properties in the country.

It's not by accident that so many of our 200 office, shop and industrial properties are in the heart of the best business locations. Nor that our farms are situated in areas of prime agricultural land.

These top class properties, for which demand is highest, feel the full effect of any rise in market values.

Another factor edging up these values, is the rising cost of building materials and labour, which is pushing up the cost of

rents of tax and the investment income surcharge.

PERSONAL TAXES
With Abbey Property Bonds you have no personal liability to basic rate tax or Capital Gains Tax. Higher rate tax and investment income surcharge rates are not applicable on the creation of bonds.

Any amounts already received, either under regular or occasional withdrawals, will be taken into account in the final calculation of the bondholders' tax liability on withdrawal of the bonds.

COMPANY TAXES
The rental income from the Fund's properties is not liable to tax in the Fund after bearing tax at 27%. The special rate for life assurance companies.

The company is liable for Capital Gains Tax at 30% if the bondholder is an individual, but not if the bondholder is a company, partnership or trust.

You must pay your Bond at any time for the full purchase price of the units or at the next valuation.

THE ADVANTAGE OF SIZE
You can apply for Abbey Property Bonds by attaching your cheque to the completed coupon. On account of the size of the Fund, you will receive your Bond, showing the number of accumulation units nationally allocated to it at the offer price ruling on the day you receive your cheque at the Office. The coupon will be sent to the Office, who will send you the Annual Report of the Fund, giving details of the Fund and its performance. Copies of the current report are available on request.

Jeffrey

by Lucia van der Post

3. Roundabout

Raspberry—Greengage.
Bilberry—Mandarin.
Rhubarb—Apricot.
Banana—Damson.
Peach—Lemon.
Date—Pear.
Nut—Fig.

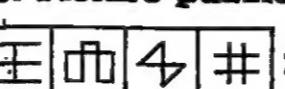
4. Word square

1	2	3	4	5
1	BOAST			
2	ORDER			
3	ADORE			
4	SERGE			
5	TREES			

5. Rebus

Nutcracker Suite

6. Picture puzzle



The missing figure (2) has been put into the last square in the diagram above.

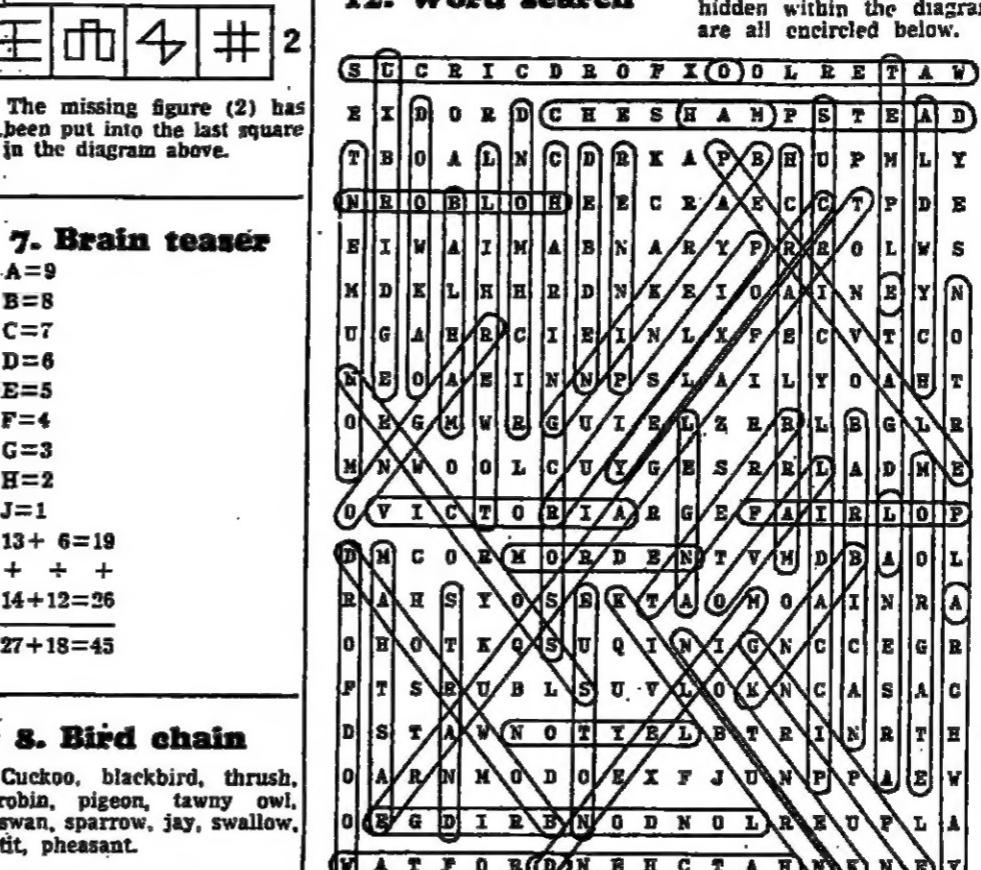
7. Brain teaser

A=9
B=8
C=7
D=6
E=5
F=4
G=3
H=2
J=1
13+6=19
+ + +
14+12=26
27+18=45

8. Bird chain

Cuckoo, blackbird, thrush, robin, pigeon, tawny owl, swan, sparrow, jay, swallow, tit, pheasant.

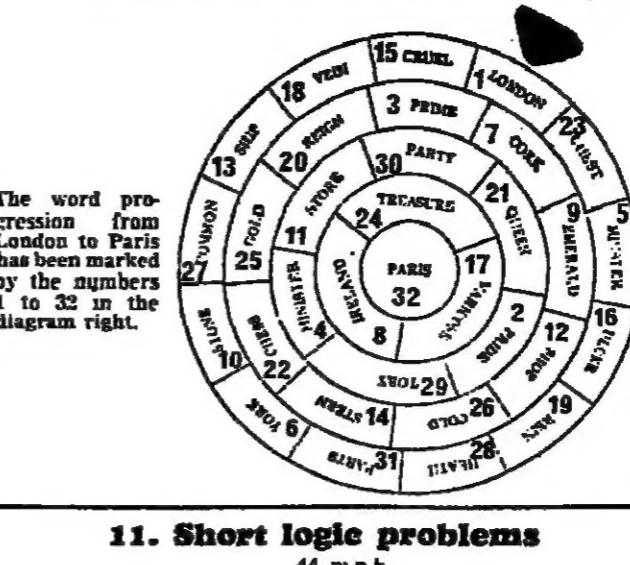
The 31 Tube station names are all circled below.



9. Anagrams

- If a far needs licence to drink blame his ripe accent.
- Splice the mainbrace.
- You may go in the nude to these parties old son!
- Dress optional.
- A bishop in Hull can be described as clumsy.
- Bull in a China Shop.
- In which a government may wheel in the RIP contenders.
- Three line Whip.
- The gear that is said to be horizontal yet it is upright.
- Straight as a die.

10. Journey from London to Paris

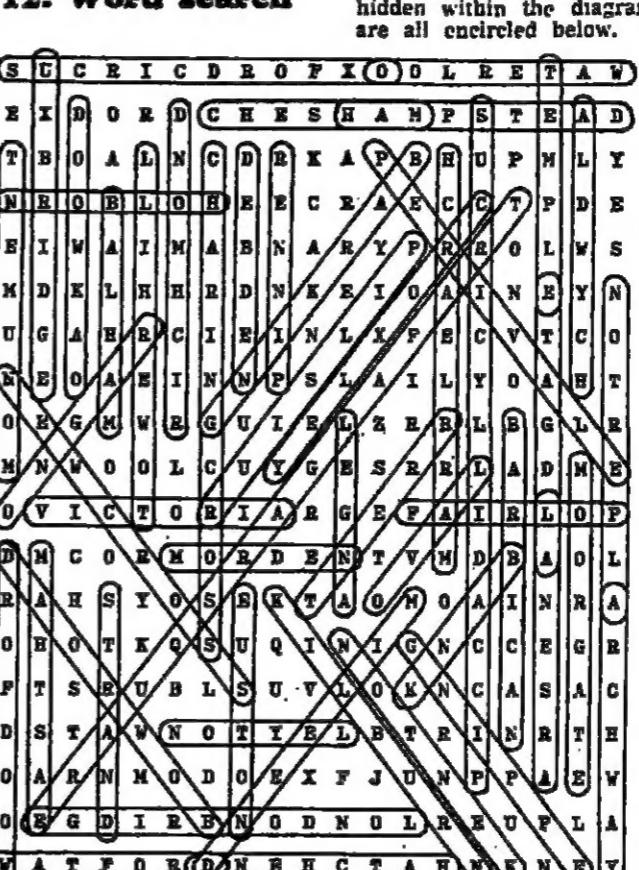


11. Short logic problems

44 m.p.h.

15.

12. Word search



Yoghurt kit

FAITHFUL followers of Philippa Davenport's articles will no doubt already be converts to the idea of making their own yoghurt—I have been making it continuously ever since reading her mouthwatering piece on yoghurt last summer. Not only is it much more delicious than manufactured yoghurts, it is also very much cheaper.

Like Philippa I am a great believer in machines to help with the making of the yoghurt. I am always reading articles telling me how easy it would be to make my own with no equipment other than an airing cupboard, but failed dismally until I bought a machine.

For those readers who would like to start making their own yoghurt a very nice-looking machine is sold direct by Deva Bridge House of P.O. Box No. 5, Dept. W.H., Stowmarket, Suffolk. It is extremely reasonably priced (many yoghurt-making machines are now in the £12 and upwards class), as long as £4.25 (plus 48p for postage and packing).

Whereas all other kits that I have used are based on an electric system which maintains the heat of the mixture at a constant temperature, this particular kit uses the vacuum insulation. The mixture is put into the jar at a precise temperature which is then maintained within the jar due to its insulating properties, thus allowing the bacteria necessary for making the yoghurt to develop. The flask produces 1 pint of yoghurt.

Peter Bradford, who developed this kit, has experimented with many different methods of making yoghurt and he maintains that this one is the one he likes best.

It has nice clean lines, can be in a cream and blue or cream and red colour combination. As part of the kit there is a thermometer, a metal milk saver (it is necessary to boil milk first) and a very nicely-written instruction-with-recipe book.

If I were buying the machine I would think it well worth buying an extra insulated jar as this means that another jar of yoghurt can be started before the last one has been finished. Deva Bridge will supply an extra one for an extra £1.70 (20p p+p).

new developments. This influence is naturally increasing the value of existing investments.

A REGULAR INCOME

These, then, are the basic reasons why we are quietly confident about the Fund's prospects in 1976. Perhaps it would now be a good idea to tell you what you can get out of the Fund in return for your investment.

One of the features that most attracts people today is the tax-free income. If you make a single investment of £1,000 or more, you can take out 5% of your original investment each year free of any immediate liability to tax.

Thus, the value of units has only to increase by more than 5% for you to have capital growth, as well as an income.

In this respect, it might interest you to know that the value of units in the Abbey Property Fund has risen by more than 5% p.a. on average since 1967 even allowing for 1974 when virtually everything fell so badly including our own Fund which declined by 40%.

HOW TO INVEST

To purchase units in the Abbey Property Fund simply fill in the coupon below and return it with your cheque.

There is, by the way, a minimum investment of £250.

As the Fund is regularly revalued, units will be allocated at the unit offer price ruling on the day your application is received.

Abbey Property Bonds

To: New Business Dept. (Bonds) ABBEY LIFE ASSURANCE COMPANY LIMITED, P.O. Box 65, Abbey Life House, 1-3 St. Paul's Churchyard, London EC4P 4DX. Telephone: 01-348 9111.

I wish to invest £_____ in Abbey Property Bonds (any amount from £250) and I enclose a cheque for this amount payable to Abbey Life Assurance Company Limited.

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BY MICHAEL THOMPSON-NOEL

WITH THE major London spring picture sales still some weeks away, this is an ideal point at which to examine the picture market's signal improved health since the debilities of late 1974, for a lot has happened in the past 15 months and much of what has happened has been hailed as remarkable proof of continuing world confidence in the permanent value of works of art.

In the broadest of terms, the London picture market was sound in wind and limb at the start of the 1974-75 sales season but then plummeted into a short period of decline reminiscent of the worst pre-war doldrums. It staged a slow recovery in the spring of last year and finally, by the time of the major Old Master and Impressionist sales last autumn, was back to almost record-breaking form. Why this sudden turnaround?

Confidence

According to Frank Herrmann's introduction to Sotheby Parke-Bernet's guide to the 1974-75 sales season: "Since the early 1950s a seemingly unshakable confidence in works of art as objects of value had established itself, but this was something new or at least it was a trend sustained longer than anyone could remember. There had indeed been fluctuations, but in retrospect these reflected mere hiccoughs in the flow of seasons, rather than a serious change of scale."

When the new sales season got underway in the autumn of 1974, the first indication that a major change of scale might have been occurring came at a sale of Impressionist and Modern paintings at Sotheby Parke-Bernet in New York. It is true that some price records were broken: \$340,000 for Jean Dubuffet's *Exchange de Vues*, \$100,000 for Salvador Dalí's *Battle Round a Dandelion*, and \$240,000 for a Matisse portrait, *Michèle*, painted in 1948.

On the other hand virtually half the pictures in the sale were unsold, principally because neither owners nor auctioneers had yet realised that the generous and in some cases

James, Earl of Lauderdale, by Sir Joshua Reynolds
to be auctioned by Christie's on March 26

art, the decline did not anything like parallel the fall of capital values in purely monetary areas, and it recovered much more rapidly."

This is interesting, for the art market depressions of the more distant past were far more sustained than the Yom Kippur shake-out. In 1883, during the great industrial and agricultural depression of Victorian England, the sale of the picture collection belonging to Mr. W. Angerstein of Stratton Street, Piccadilly, produced a series of disastrous prices: £35 14s. for a *Mabuse Madonna and Child*; £43 for a full-length *van Dyck*, *Portrait of a Gentleman, His Head Resting on a Globe*; £24 3s. for *Parmigianino's The Marriage of St. Catherine*, and £52 10s. for *The Embombtment* by Danièle da Volterra. These prices were profoundly lower than those prevailing in the previous 15 years.

The following year, 1884, saw a complete price collapse in the work of contemporary or recent English Masters, and it was only support buying by Agnew's that propped up the work of artists like Landseer, Millais, Sir Frederick Leighton and Alma Tadema.

It was the same story in the 1920s. In fact, Herrmann characterises most of the inter-war period as an era of undiluted heaven for any collector with money and taste. Such a pattern of long-running depression, however, did not characterise the art market last year, for by the spring the prices in most picture sales were back where they had been nine months previously. At Sotheby's in New York on May 21, Paul Gauguin's *Hiva Maruru* fetched \$413,045, while at Sotheby's in London, an evening sale on July 1 totalled £213m., including £118,000 for Maurice de Vlaminck, £170,000 for a *Breque still life*, and a "breathtaking" £210,000 for a *Monet study of Rouen Cathedral*.

This shabbiness spilled over into the new London season that opened last autumn. At Christie's on December 2, Degas dancer, a fat Renoir lady playing cards, and a more interesting exception of Chinese works of record prices were set for a

Modigliani (£180,000), a John Singer Sargent (£25,500) and a priced, mass-produced Leonard Hutton (£46,200). In addition, an early Picasso self-portrait was bought by an anonymous French buyer for £283,500 — quite close to the record for a Picasso, £340,000, and exceptional in that the picture had been bought only five years previously for £147,000.

Record

The next day, at Sotheby's, an impressionist sale totalled £1.34m., including a record of sterling art market's genuine nationalism. As some cus- dealers were forced to be ones, especially from the carrying tulips, found a buyer East. In addition, the r of the threat of a British tax just before Christ- his works sold easily that week British collectors.

One commentator wrote: Art At Auction
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Round the local salerooms

BY ANTONY THORNCROFT

THE SCOPE for buying pictures for less than £500 is virtually limitless. The very great majority of pictures sold at market, although if you like country auctions, by dealers, and even at the London salerooms of Sotheby's and Christie's, fall within this price range.

Of course, you are unlikely to be able to acquire a good Old Master at this level. Colnaghi's, the old established Bond Street dealers, reckons that £2,500 is the pound depreciates and the the old established Bond Street dealers, reckons that £2,500 is the bottom limit in this market. Then there are the antique shops, where expertise and bargaining powers can be rewarded, but it must be remembered that antique dealers buy much of their stock at auction and are inclined to double the price for resale.

Finally there are the major London salerooms which have weekly picture sales offering works from £10 upwards—though sales are arranged according to anticipated price levels. Phillips and Bonhams, in particular, have a vast throughput of inexpensive pictures but now Sotheby's, with its Belgrave operation specialising in Victorian pictures, and Christie's, South Kensington, which concentrates on works of less than £1,000, offer competition at this level.

The advantage of concentrating your picture buying on Old Masters is that they hold their price better than any other. A reputable dealer will also usually guarantee to buy back a picture if you tire of it after a few years. Colnaghi's tip among the older paintings is the primitive works of the 15th century, which currently look rather underpriced.

The chances of obtaining your Old Master for a bargain price at a country auction or from an ignorant dealer are very slim these days. There are too many experts around and the dealers comb even the most out-of-the-way sales. That is not to say there are not many instances of wrong attribution—if you really concentrate on an artist, or period, you can quickly amass more knowledge about a particular school than the average dealer or country saleroom. The basic rules for buying pictures, with one eye on their investment potential, do not change—buy what you like, and read up on the subject—or alternatively rely on the advice of a really top dealer.

Expensive
And what types of picture should the fledgling buyer consider seriously? The field is basically concentrated on 19th and 20th century paintings. Pre-1700 pictures in a reasonable condition are very rare and are now expensive, and even 18th century works usually fetch more than £500. The hunting ground is late Victorian and, increasingly, 20th century pictures.

Here are some tips from the experts. At Phillips the view is that the early 20th century Glasgow School of artists is currently under-priced, with some pictures available for £100.

There is also tremendous potential in the work of the British abstract artists of the 1930s and 1940s, and, of course, certain subjects, like portraits, tend to be dreary—and cheap.

There are the regular sales at country auctions, where the best bargains are to be found. The private buyer stands a better chance here these days since the dealers have been having a tough time and are reluctant to buy pictures unless they can be fairly certain of selling them again easily. Prices in the South East are probably higher than elsewhere because there are more collectors and experts around, but even in the remote parts you may find yourself up against the ubiquitous Continental dealers, who have been buying up considerable quantities of British pictures as

Some country auction houses, such as Henry Spencer of Retford and King and Chasemore at Pulborough, have grown to rival the smaller London operations. They favour the late 19th century landscapes and, like virtually all the experts, believe that the greatest potential at the moment lies in watercolours.

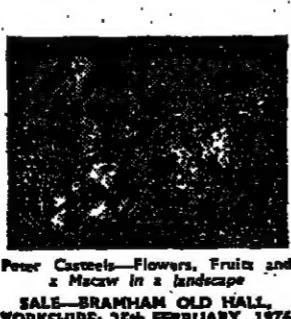
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Christie's, at South Kensington, confirms that pictures in the lower to middle price range survived the fine arts depression better than most other markets. The fact is that the realisation that art offers a good investment for cash has crept off the wall of most of the major artists and this has created a groundswell of support for quite routine 19th century artists. And "experts" are continually discovering new artists whose work becomes popular in the wake of a book about them.

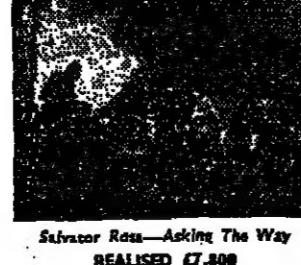
Christie's favours artists like Dan Sherrin, the Williams family, and Charles Leslie. The saleroom has been particularly successful in visiting provincial centres, like Hereford and Norwich, and assessing works of art brought along by local people. A trip to Hereford produced pictures which subsequently sold for up to £1,500 and in February the Christies' specialists visit Shrewsbury.

Deterred
Newcomers to picture buying are often deterred by the appearance of paintings at auction. They may well be dirty and damaged. This is an opportunity. The skill of dealers is in seeing the beauty in an unlikely canvas, and as long as a picture is not lacking the original paint repairs can transform a cheap acquisition into a highly prized bargain.

Finally, perhaps the best opportunities do not lie so much in oils but in watercolours, and, in particular, prints and drawings. Even Old Master prints and drawings can be bought for very reasonable prices and this is one market which is attracting considerable interest and is likely to grow very rapidly.

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The Arts

Siegfried

BY RONALD CRICHTON

After the release of the last act of *The Valkyrie*, when all of his final encounter with Siegfried, when human emotion and primeval magic are so potently fused, Siegfried can be felt as a kind of pause or interlude before the crisis and resolution of *The Twilight of the Gods*, a hybrid of comic relief, verbal as well as physical sword-play. A pause, however, of an unusual kind: the drama is carried several moments stages further, and so is the music. Wagner's themes being subjected to Lisztian distortions of considerable subtlety (the most extreme examples of this process, in the first act, were written before, not after, the long, enforced break in the opera's composition). For many Wagner-lovers Siegfried was, though he does not rival (who does?) Solti's ability to probe of the evening.

The ENO production must have changed many opinions through its musical excellences, through the producers' clear exposition, most of all through the existence of Andrew Porter's translation—got to be seen at that hurried afternoon glance at the text. The desperate effort to recast what the middle scene was about. Now we can hear for ourselves without the effort of catching and understanding Wagner's peculiar German. The same is true of Wotan's taunting of Alberich, of the dwarfs' quarrel, of Wotan's last appeal to Erda,

above all of his final encounter with Siegfried. Thursday's Siegfried in the first Ring cycle had stretches of grandeur in each act. It finished with a serene, relaxed, love duet where the orchestra, earlier sounding occasionally a little tired and less prompt than usual and the following duet are most to answer Wagner's and the conductor's demands, was effortless and mellow. Charles Mackerras, so wisely that he was still fresh though he does not rival (who does?) Solti's ability to probe of the evening.

Rita Hunter negotiated deep into the Lidian, even Barakian, tissues of the first Brünnhilde's long, exhausting act, clearly relishes the teeming vocal lines (what a relief to invention and masterly construction). He was forced to pull his punches at the end of that act because his Siegfried, Jon Crook, was less torrid than this theatre has heard, the buoyant playing in the love duet was more than adequate compensation.

Jon Weaving is a lyric tenor with a rapid vibrato and no presence of heroic ring. This does not invalidate his Siegfried—he sings agreeably, fluently, for the most part audibly, refusing to force or strain, scorning the besetting sin of second-rate Heldentenor, when one can feel the tone drying up as the muscles tighten in the bull neck. Mr.



Some of Alexander McPherson's costume designs for the Welsh National Opera's new production of 'Albert Herring', opening next week in Cardiff. Left, Lady Billows; centre, Albert; right, the Vicar



Some of Alexander McPherson's costume designs for the Welsh National Opera's new production of 'Albert Herring', opening next week in Cardiff. Left, Lady Billows; centre, Albert; right, the Vicar

Der gestiefelte Kater

BY ELIZABETH FORBES

Der gestiefelte Kater—Puss in Boots—is a comic opera by the German composer Günter Bissel, first performed at the 1975 Schweizerischen Festival just will be broadcast tonight on Radio 3 from a recording of the Schweizerische production. It is no ordinary comic opera, nor does it relate an ordinary fairy tale. As the Spectators, who vociferously comment on, applaud, whistle and sometimes interrupt the performance, are at pains to point out, a simple fairy tale is no proper subject for an opera in this day and age. They insist that non-conformism is essential in 1975, and when the Composer, who also makes several appearances on stage, explains that conformism is his particular brand of non-conformism, the Spectators don't know whether to laugh or cry.

The libretto, by Tankred Dorst, is based on a play by Ludwig Tieck, and within its Plandellan construction of an opera within an opera, contains a plethora of paradoxes, puns, pastiches, parodies, practical jokes and private allusions (the style is catching). The text comprises spoken dialogue, song, and every gradation of pitched or rhythmic stress—stressed speech lying between the two extremes. Those liberties are taken with the plot, fairy-tale convention is strictly adhered to, and nothing is allowed to stand between a character and his destiny. Gottlieb, the handsome but dim-witted young peasant, is destined to marry the Married Couple's quarrel, just as the Princess, a highly-educated modern girl, turns the same.

The performance, with the chorus and orchestra of the Hamburg State Opera conducted by Horst Stein, is both stylish and enjoyable. The work is fairly severely cut, and some of the local jokes substituted for those printed in the score are incomprehensible to a non-German listener, but every word of the text is audible, and the operatic parades, at least, are immediately and obviously recognisable. William Pearson sings the arduous role of Hinze, and if some of his falsetto mewingings are a little rough in the normal baritone range his eloquence is truly remarkable. Gottlieb is pleasantly characterised—the style really is catching—by Udo Krämer (bass-baritone), while the King benefits from Kurt Möll's majestically resonant black-hued bass.

The work is scored for a chamber-sized orchestra, with piano, electro-organ and large battery of percussion, which is never allowed to cover the voices or obscure the text. The musical style, as eclectic as the verbal, also uses parody—in, for instance, the Little Cat Music or some of the ensembles—and occasionally direct quotation: the Rabbit ballet which ends the first part is based on the Barcarolle from *The Tales of Hoffmann*. There are many purely lyrical numbers in the later scenes, including the Royal Tutor's French Chanson on the art of love, the military Love's duet, balanced and contrite, by the Married Couple's quartet, in which the singers are the same.

St. Pancras's Theatres this week 'Music of Resistance'

Music Now is presenting a concert under the title *Music of Resistance* on Thursday, January 22 at St. Pancras Assembly Rooms, starting at 8 p.m.

The programme includes two first British performances of works by Frederic Rzewski, Variations on "People United Can Never Be Defeated" and Coming Together/Attica in which he will be taking part, as pianist, speaker and musical director.

Cornelius Cardew will also play keyboards and percussion in the first London performance of his *Thukkma Variations*. The other piece to be heard will be Yin Cheng-zung's Three Arias from "The Red Lantern."

Among those taking part will be Jane Manning (soprano), Evan Parker (soprano saxophone), Paul Rutherford (trombone and percussions), Laurie Baker (bass guitar and percussion) and Jon Marcangelo (keyboards and percussion).

Tickets are available in advance from Music Now, 26, Avondale Park Gardens, London W11 4PK, price £1.

Nucleus on six-week tour

Nucleus, the group of trumpet/tuba-hornist Ian Carr, is embarking on an extensive six-week tour which will comprise almost 30 dates. Programmes will vary at the venues but compositions from the latest Nucleus album *Allegro* will be featured along with others from previous releases.

January dates for the tour so far available are: Ealing Technical College (15); Royal Holloway College, Egham-in-the-Green, Surrey (16); Salford University (18); Teesside Polytechnic (19); Chester Polytechnic (20) and Birmingham University (21).

The winners of the 1976 Gulbenkian Music Fellowships are the following:

John King, bass-baritone; Jan Latham-Koenig, piano; Richard Markham, piano; David Rendall, tenor; and Raphael Wallfisch, cello.

The Fellowships commenced from January 1 and are worth £1,000 to each of the winners (31).

February dates: Sussex University (8); Brunel University, over the next three years.

Property and housing

Hard sell on the high slopes

BY DAVID FREUD

FLAINE IN the Haute Savoie is one of the third generation of ski resorts. It is uncompromisingly designed as a single unit of architecture with little attempt to charm the eye. But the dedicated skier will be pleased to know that it has the best bed-to-lift ratio of its kind.

Functionalism is the keynote, from the top-quality building materials employed to the layout of the skiing terrain. Hotels and apartments are grouped round a main square, called the Forum, and there is a small spin-off apartment development at a lower level nearby. Work is also well in progress in a new area called the Forest on a ledge directly above the main concourse.

The Forum forms the natural focus of the resort and contains ski shops, restaurants, a supermarket and the entrance to the main cable-car.

Flaine is very much the personal creation of its founder, M. Eric Boissonnas. It was his first large-scale development project and the main reason he chose a mountain site was his enthusiasm for modern architecture. "I was looking for a place where an architect could do exactly what he wanted, where there would be no planning restrictions. I was disgusted with what went on before and thought I could do better."

He chose his old friend, the architect Marcel Breuer, to carry out the design. Many people like the concrete and glass style of the eight-year-old resort stark but it has a certain strength which competes on its own terms with the mountains that surround it.

The same simple yet effective approach is evident in the interior decoration, which was planned by M. Boissonnas' wife, Sylvie.

The purpose of the building development lies, of course, in the skiing, two-thirds of

which is in the bowl surrounding the Forum, while the rest is in an adjacent valley. Flaine

does not really compete with

the rest of the top class resorts in terms of variety and length of runs. There is nothing that begins to rival the 10-mile Kullaberg at Davos or the vast ex-

panses of Val d'Isère. And Courchevel.

Another reason for the choice is the proximity to Geneva, which is an hour's drive away. There is now a regular bus service to the airport.

The natural advantages are enhanced by the excellent lay-

out of the lifts. There seem

to be no bottlenecks and even

at the weekend by choosing my

area carefully I never had to

queue. The lift to bed ratio

is easily the best in the French Alps, some 40 per cent higher

than the nearest rival

resorts.

M. Boissonnas believes the

market is so strong because

mountain property is seen as a

first-class investment. "The

French in particular have

understood that the number of

apartments that can be built in

the French Alps is limited.

There are only another four

potential new resorts and

development in existing ones

cannot go beyond a certain

margin." Flaine's experience

is shared by other French

resorts.

Development is a year begin-

ning. The apartments for sale range

from studios to three-rooms

and four-bed rooms.

Development is a year begin-

ning. They all face south, are com-

fortable, well insulated and

well equipped.

Flaine is not cheap, despite

M. Boissonnas' emphasis on con-

venience. One more

room will have to be added to

the original schedule. M. Boissonnas said: "I thought I

would have to slow down the

ski-lift. Eating out is easy as

it is expensive. So I decided we would take the

original schedule. We would

have to add a few more rooms.

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SATURDAY, JANUARY 17, 1976

First signs of light

THE financial markets, more especially the gilt-edged market, have been the star features of the business scene this week, and there may well seem to be a contrast between the behaviour of the markets and the condition of industry. The explanation of the contrast, of course, is that markets are concerned with the future and that signs of light at the end of the economic tunnel are now becoming less ambiguously visible.

To begin with the markets. The gilt-edged market opened the week as firmly as it had closed at the end of last week, because the terms of the two new stock issues announced by the Government seemed to give the green light for a further drop in interest rates. The mood of the gilt-edged market was such that it seemed quite possible that the two new issues would be fully subscribed. Doubts began to creep in only in mid-week, with the publication of the letter which the Chancellor had sent to the International Monetary Fund in December to accompany the application for credit. This acknowledged for the first time that the public sector borrowing requirement would be much higher than originally estimated, and suggested that it would be little changed in 1976-77.

Gilt-edged boom

These figures, though formally new, have been informally current for some time past. The market's reaction was partly due to the fact that latest unofficial estimates of the borrowing requirement for this year had been rather below the earlier £12bn, partly due to the fact that the estimates given for domestic credit expansion seemed to imply a rather faster expansion in the money supply than was compatible with the Government's anti-inflationary aims; and most of all, perhaps, to fear that the publication of the letter was deliberately intended to curb the rate at which money has been pouring into the gilt-edged market. In the event, however, subscriptions for the new short were so large that it is not to be operated as a tap stock and subscriptions for the long medium were large enough to produce a good opening premium.

As if this were not enough, the Bank of England then took action which demonstrated plainly that it does not mean

the Government's economic calculations working out.

The official figures seem to confirm the latest evidence from CBI surveys, that the drop in industrial production is now levelling out. The latest index of retail prices shows that, despite increases during December in the prices of some seasonal foods, the annual rate of inflation is continuing to decline and suggests, together with recent movements of raw material prices, that inflation may in fact be brought down to the 10 per cent rate by end-1976. The latest trade figures, moreover, are a considerable improvement on those for November, due mainly to higher exports. It still needs to be borne in mind, however, that the readiness of the unions to accept wage restraint after August and the readiness of the Government itself to go on hacking away at the growth of public expenditure have still to be demonstrated.

represented by Damascus and the Army and the Palestinians. It

The current round of fighting in the Lebanon has claimed at least 10,000 lives, and probably many more. Richard Johns examines the origins of the civil war and discusses its possible outcomes

Middle East peace in the firing line

SUDDENLY partition has become the key issue within Lebanon, who wanted to smaller ones that occurred despite the Cairo accords drawn up in 1969 and subsequently amended to regulate the commando presence in Lebanon. Yet the Palestinian "state within the state" has been attacked by Mr. Pierre Gemayel and Mr. Chamoun, leaders respectively of the Phalange and the National Liberals whose militia have been the main Maronite forces engaged in the fighting.

Now a kind of *de facto* partition already exists; increasingly the pattern of fighting is dictated by the Christians' tactics of consolidating their enclave and by their opponents' determination to prevent the fragmentation of the country. While the Maronites' motivation can be seen as pan-Arab self-preservation, undoubtedly the wider issue of the Lebanon's integrity is at stake. So, too, is the stability of the Middle East—why is the Maronite extremists, with the heavy odds against them, cannot reasonably look to partition to solve the crisis?

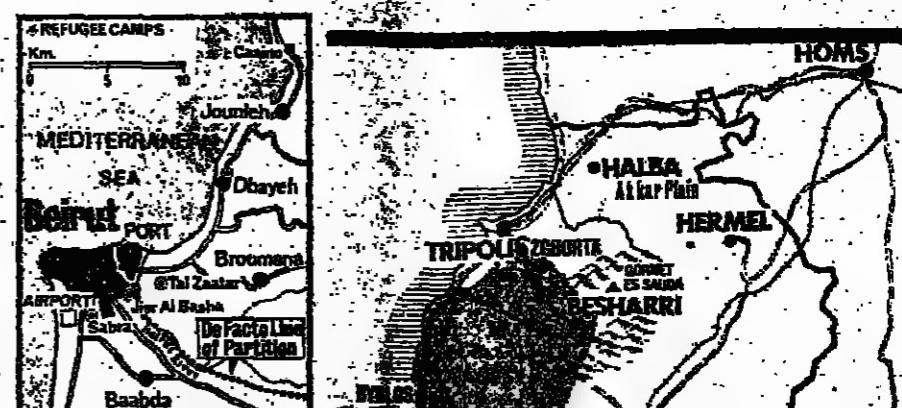
The incident which set off the violence was the seemingly unprovoked slaughter by a group of young Maronite militants of a bus-load of Palestinian refugees last April, which highlighted the underlying cause of the inter-communal violence which has now claimed at least 10,000 lives and probably many more. The Arab-Israeli conflict and the Palestinian question have aggravated tensions which have existed in Lebanon since France carved the country out of its mandated territory in the Middle East in 1920.

Overwhelming majority

Maronite leaders may now be ruling the fact that France—not the least because of the articulate persuasiveness of their predecessors—carved out as big an area for the republic as it did. Under Ottoman rule the semi-autonomous muhassifate, or province of Mount Lebanon, was established in 1861 as a result of Napoleon III's intervention after some 12,000 Maronites had been massacred by the Druses. It excluded the whole coastal strip and the Bekaa Valley inland but left the Maronites with an overwhelming four-to-one majority.

At one point, a smaller Lebanon, corresponding more or less to the shaded area in the accompanying map, was considered, but in the event the French, who wanted to maximise their sphere of Christian influence, incorporated the almost wholly Sunni Moslem northern region and the Shi'ite Muslim southern region in the protectorate, giving the Christians only a small, officially calculated, majority.

The arrangement was



Latest round

With the escalation of the fighting, and consequent lessening of hopes of a negotiated settlement, the territorial imperative has become paramount. This has been highlighted by the latest and most bitter round of fighting in central and north-east Beirut. The Phalangists have been trying to maintain their foothold in the Holiday Inn and Hilton hotels in the face of determined assaults by the Mourabitoun leftist-Moslem alliance and the Phalangist guerrillas who have aimed at cutting their supply lines down a narrow corridor to the Beirut River. At stake is control of the Christian half of the city and the "no-man's land" of the commercial centre with the port which an independent Christian entity would want.

Conversely, the Phalangists

regarded the Palestinian refugee camps in Maronite-dominated

territory as an anomaly and a

danger to their community.

Their blockade of the Tal al

Zatar and Jar al Basra camps

on January 4 precipitated the latest round. Less problematic for them should have been Dibayé, which is exclusively Christian, but their capture of it has proved the most fatal development so far, bringing the commandos and the Druses out against them in force, as well as arousing the anger and hostility of other Arab States.

From the beginning commandos have been fighting with Moslems belonging to various warring groups. Whatever its pious protestations about assisting a settlement, the PLO leadership has been ambivalent—anxious not to be held responsible for a bloodbath but determined to further the interests of the Left, enhance the status of the guerrilla movement and bring the Lebanon into confrontation with Israel. Now

the movement's full armed extent with assistance given by to the Arab world and potential threats to be certain units to the Christians. Maronites cannot look for what the consequences will be elsewhere in the present

possibly an open rift in the national crisis. Syria—against this must be set the annexation if real parity comes about. All other states are adamant in Maronite predominance.

For self-preservation and with the conservative

partitioning of the

Christian enclave may make

sense. Partition as a solution would be a different matter. Dis-

cession of it grew in the autumn, but, significantly, not one quo, meaning the creation

of a radical confrontation in Lebanon, or Syrian intervention.

Fundamental to the explosive element involved—the fact that Israel

is not if known that it will

envision only a moderate change as part

settlement in Lebanon in the long run, it wants

thing more radical. Al President-Franjik would

able to go little more equal power-sharing to with much-needed ec programmes to appear ti

are apparently under con-

don.

Whether such a emerges from consult with Syria or a collective gathering, the Maronite iists would be foolish to it. If they do not go f in trying to perpetuate facts accession one may

one very cynical conc

independent Christian state

would be viable at this moment. It is not acceptable independence.

Letters to the Editor

Snags of devolution

From Mr. J. Wilson.

Sir—Two years ago I spent four days travelling with a driver who was delivering groceries and a variety of other goods throughout Northern Ireland and the Western Isles. It worked for a British company, most of whom toponomiles of delivered goods are in the south-east and middle of England.

He explained to me that many of the shopkeepers to whom he delivered added a surcharge of a penny or two on some of the items he delivered. Their customers paid this on the understanding that such deliveries were inevitably more costly than say, deliveries to shops in Guildford.

He also explained that his company did not add a delivery charge to the basic cost of these items to retailers. The total running costs of the British operation absorbed, as it were, the price of a ferry ticket to the Isle of Lewis for the delivery of a few packets of assorted groceries, frozen goods and motor parts. At that time the vehicle had to stop to pay a toll almost £180 to ship to the island.

My own scrutiny of retail prices in a few shops on his round convinced me that he was not indulging in idle chatter, and it was difficult to escape the conclusion that some of his customers were engaged in a particularly sneaky practice against their fellow countrymen. More to the point, it showed how in the cost of at least one commercial operation the English consumer is unwittingly subsidising the Scottish consumer.

My purpose in writing is not to criticise these practices, on the contrary, these kind of subsidies are the sort of thing that the United Kingdom is, or should be, all about. But if the people of Scotland want to wave their national flag on their own, they should appreciate just what this might mean to the consumer, as opposed to the politician seeking security of Westminster tenure or the promulgation of nationalist ideals.

As in chess, it is the pawns that get gobble up while the major pieces baffle about the board. Fortunately it is always possible for a humble pawn to tip the scales in the end game. The Scottish consumer will gain heavily.

nothing in real terms if his country forces a split. His so-called treasure of North Sea oil will be gone in less than one generation, and he will lose many of the hidden advantages of union. So will his English counterpart.

John Wilson,
16, West Kensington Mansions,
North End Road, W.14.

Reaching Hong Kong

From The General Manager
Cargo UK, British Airways

Sir—I am afraid Mr. Silverman (January 12) was been misinformed. There is no 24-hour ruling favouring a British carrier as he suggests.

Hong Kong, however, is a British territory and is a cabotage route. Only carriers designated by the British Government may uplift passengers and freight, though in cases of extreme urgency this ruling is sometimes waived.

In this particular case, despite the fact that the British Airways flight left Heathrow six hours after the Pan American flight, it still arrived in Hong Kong half an hour ahead of the American flight because it made fewer stops. Neither aircraft could have landed in Hong Kong on December 15 in time for Mr. Silverman's package to reach a mid-day Board meeting at the scheduled arrival of that British Airways flight was 5.40 p.m. (local time).

G. Whiby,
P.O. Box 13,
Victoria Terminal,
Buckingham Palace Road, S.W.1.

Printing money

From Mr. H. Irvine-Fortescue.

Sir.—May I add to the excellent letter from Mr. N. Blitch (January 15).

It cannot be stressed often enough and strongly enough that it is Government which is causing the inflation by allowing the printing presses to produce more and more paper £s. As the money supply increases so prices inevitably are forced upwards as increases in production are far exceeded by the increase in money supply. As inflation progresses the people will suffer extra taxes of £240 per annum compared with the other man with

the same taxable income derived mainly from his pension. The members of Government, the monetarist managers and the ever growing leviathan of Government bureaucracy, the mass of the people suffer. I do not believe that the measures so far taken by Government to curb inflation are nearly sufficient. A radical step would be to give our currency some real value back, for example, gold or silver; by so doing confidence would return.

H. Irvine-Fortescue,
The Old Dairy House,
Trentham,
Stoke-on-Trent.

Currency

From Mr. P. Brooke.

Sir.—With reference to Mr. Mitchell's letter (January 12) surely it is up to the Government and not the banks to safeguard and maintain the value of the currency both internally and externally.

P. C. G. Brooke,
20, Hawthorns,
Leigh-on-Sea,
Essex.

Savings penalty

From Mr. E. R. West.

Sir.—A comparison of higher rate tax liability for two retired married men over 65 and both with taxable income of £4,500 per annum, gives:

Pension £3,938	None	£2,000	nil
National Insurance Old Age Pension 1.102	1.102	500 10% 50	50 15% 33
Investment income nil	3,938	3,938 15% 33	33 15% 13
Taxable income 4,500	4,500	3,938 24% 33	33 24% 13
		Higher rate surcharge none £240	

The above shows that if one of the two men had managed to achieve a taxable income of £4,500 largely by savings and investment, he will suffer extra taxes of £240 per annum compared with the other man with

the same taxable income derived mainly from his pension. Instead of being encouraged to actually open up old closed chimneys and put in incredibly wasteful open fires that cause so much more pollution?

A. G. Wills.
Boulders Mead,
Quarry Road,
Binstead, Isle of Wight.

Tax allowance

From Mr. A. H. King.

A very small step in the right direction would be to raise the investment income surcharge limits to £500 for retired people over 65 as follows:

Investment income	Surcharge
£2,000	nil
500	10%
898	15%
3,398	13%
E. H. West	13%

£2,001-2,500 · 10% · 15%

over 3,500

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

There have been few new developments in the bids and take-overs held during the past week. Bayline, a textile concern whose main operations are in Holland, has agreed to purchase 65 per cent of the 65 per cent controlling shareholding of Optical and Industrial held by John D. Hutchison Ltd., the holding company for the U.K. interests of the Hong Kong-based Hutchison International. The agreement is dependent upon receiving all necessary exchange control and Government permissions not later than April 2 this year. On completion of the deal, Bayline will see that an unconditional offer on the terms is made for the outstanding shares of equity.

It is also Bayline's intention to endeavour to retain the stock exchange quotation for Highgate should it be unable to expand Highgate's business.

Binder Investments, the property investment and development finance company, declared yesterday that approaches had been made which could result in an offer for the Ordinary shares at a price approximating to the stock market average price prevailing ahead of the news. The shares subsequently fell to close at 70p where the equity is capitalised at £220,000. The company anticipates that a further statement will be issued within the next few days and in the meantime strongly advises shareholders to take no action.

A bid could now be on the cards for another of Bowater's operations, Hong Kong subsidiaries, the 55.5 per cent-owned Hong Kong Consolidated, which has rubber, shipping and timber assets. The two companies have announced their discussions being held which may lead to an offer from the parent for minority shareholding in HKC. With IC shares rising to 12p (including the investment premium) on the news, the outstanding per cent of the equity is valued at £1.9m. The previous week, Bowater declared that it had received preliminary

approaches which could be the prelude to a bid for its new 70 per cent-owned Cathay Securities.

Company	Value of bid for	Value of share k	Market price k	Price before bid	Value of bid (in k)	Final Acq'd date	Bidder
Prices in pence unless otherwise indicated.							
Anglo-Ecuadorian Oilfields	75*	71	64	67.5*	Circle Petroleum	9/2	
Ashbourne Invrs.	20*	41*	41*	—	Cent. & Sheerw. Trust	—	
Buck Bridge	4*	4	5*	0.8	Tranwood	—	
British Retail Properties	29*	22	28	2.8	McLeod Russel	—	
Brown Bros.	22*	174	18	3.6*	McLeod Russel	—	
Cessnock	260	253	240	1.0*	McLeod Russel	—	
Chancery Cons.	37*	36	37	4.9	Arbuthnot	—	
Clifton Invrs.	44*	75	41	0.15*	Latham	2/21	
Clover Dairies	168	160	92	10.1	Aries Hides	—	
Consolidated Tea	351	320	360	4.2	McLeod Russel	—	
Court Hotels	50*	52*	32*	1.3*	BSQ Secs.	—	
First Taklamak, Inv.	61*	7	5	0.15*	Energy Finance	—	
Great Boulder	78*	76	70	47.7d	Westinghouse Gen. Elec.	—	
Greenwell & Hatley	40	38*	383	0.6	Yours Trust	2/21	
Gresham Hotel	135*	135	—	1.1*	Turmev S. Hts.	—	
Highgate Optical	30*	38	35	0.24*	Bayline	—	
Jones (H. C.)	201*	195	124	11.8	Barrat Devs.	—	
Robinson Rentals	216*	205	160	7.9d	Granada	—	
Shoe Industries	431*	440	380	7.7d	Oude Meester	—	
Totis Hldgs.	22*	355	350	1.5	James Naylor	—	
Thompson Reid	22*	26	15	0.3	Beloit Cpn.	—	
Tranaco	74*	7	64	0.44*	Cent. & Sheerw. Trust	—	
Walmsley (Bury)	80*	59	37	1.6d	Beloit Cpn.	—	
Washington Inv.	581	53	22	2.8	Elect. and Mech. Eng.	—	
West Nile	432	585	330	2.9	James Finley	—	

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 16/1/76. k Based on 15/1/76. l At suspension. t Bid.

Guinness restricts spending

ONLY REFLECTING inflationary pressures Arthur Guinness and Co again had to limit its borrowing during the year, despite considerable reduction on capital expenditure, a chairman said.

Members are told that considerable progress has been made in building up distribution arrangements in Western Europe.

Arrangements in Germany and France will be completed by the end of the year.

The chairman says that it is the company's policy to continue to have necessary items to maintain the productive assets of the company, so that if it is believed it will be poised to maximum trading advantage as opportunity arises.

Referring to the expansion of Harp Lager sales Lord Ivagh during 1975-76 total expenditure on assets amounted to £21m. Of this £1.1m. relates to brewing or items include additional ales and draught Guinness equipment, modernisation of the distribution network, advertising, expansion of selling points in Malaysia and other outlets on brewing plant and distribution facilities at home and overseas.

Major part of expenditure £7m. on non-brewing assets in the general trading division group. The acquired assets in net and additional assets in subsidiaries increased by £3.4m. of which m. arises in the general trad.

Turning to the group's confessional activities the chairman says that reorganisation is now beginning to bear fruit. In a reported group profit in the declining market, where price

ended September 27, 1975, levels are meeting growing con-

Encouraging start for Carr's Milling

In the first quarter of the current year results of Carr's Milling Industries were ahead of last year, which was a most encouraging start, chairman Mr. Ian Carr said at the annual meeting.

Clearly the results for the first six months should be satisfactory, but the annual results will depend upon so many variables, last year it was impossible to forecast results for the second half.

However, the flour mill was in a stable position and on the animal feeding side the picture was encouraging.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)	Earnings* per share (p)	Dividends** per share (p)
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Albion	Sept. 30	385	568	5.6 (6.2)
Asied. Sprayers	Aug. 31	1421	1389	— (3.8)
A. G. Barr	Oct. 31	1,131	260	26.0 (5.7)
Avon Engins.	Oct. 31	474	850	49.7 (7.5)
Bard Group	Sept. 30	2,125	1,426	2.7 (2.7)
Dewhurst & Ptar.	Sept. 30	2,125	1,426	2.7 (2.7)
Eng. China Clay	Sept. 30	16,845	19,106	5.8 (5.2)
Fluidrive Eng.	Sept. 30	581	483	5.3 (3.9)
Gough Cooper	Sept. 30	1,537	2,157	8.3 (12.6)
Hickson & Welch	Sept. 30	4,638	4,145	34.4 (31.7)
Hely's Foundries	Sept. 30	2,194	1,120	9.8 (5.0)
A. J. Hill	Nov. 7	781	670	9.4 (8.9)
Hill Group	Sept. 27	5,953	6,448	13.4 (14.0)
H. Smiths	Sept. 30	1,576	1,576	1.0 (1.0)
Spencer Clark Mfg.	Sept. 30	1,576	1,576	1.0 (1.0)
Tollsmache & Child	Sept. 30	835	442	7.8 (5.7)
Trident TV	Sept. 30	2,082	9,862	2.5 (4.4)
Turner Mfrs.	Sept. 27	1,579	1,201	9.0 (5.6)
Vesper Thornycroft	Oct. 31	4,038	3,076	32.2 (24.3)
Warner Estate	Sept. 30	849	583	4.1 (3.2)
Weyburn Eng.	Oct. 31	1,174	415	44.3 (31.7)
Yellow	June 30	5,774	7,657	7.7 (103.4)

(* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 16/1/76. l At suspension. t Bid.

Rights Issues

Brentnall Beard (Holdings): One-for-three at 55p each. Ocean Transport and Trading: One-for-four at 110p each. F. H. Tomkins: One-for-four at 10p each. Weyburn Engineering: Nine-for-four at par.

Scrip Issue

H. C. Janes: Three-for-one.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)	Interim dividends* per share (p)
Astra Securities	Oct. 31	311	0.323 (0.26)
Best & May	Oct. 31	96	0.704 (0.66)
BET	Sept. 30	10,616	1.4 (1.4)
Brigay Group	July 31	971	NIL (N/A)
Cashflow Group	Sept. 30	237	0.624 (0.585)
Denbyware	Sept. 27	820	2,113 (2,011)
Dixons Photo	Nov. 8	2,741	0.75 (0.208)
J. R. Eastwood	Sept. 26	4,073	1.15 (1.05)
Empress Services	Sept. 30	74	0.2 (0.25)
Gateway Securities	Oct. 4	600	0.571 (0.563)
Heron Motor	Sept. 30	537	1.41 (1.25)
Imperial Rubber	Sept. 30	2,029	1.05 (1.076)
Intergal Group	Sept. 30	1,071	— (—)
Intl. Timber	Sept. 30	103	2.25 (2.25)
Jones Stroud	Sept. 30	783	1.6 (1.6)
Keith & Henderson	Nov. 30	15	— (—)
Kinplex	Sept. 30	1,601	0.1 (0.1)
Letraser Intl.	Oct. 31	1,595	0.933 (0.369)
Louis Newmark	Sept. 27	1,606	1.5 (1.5)
Middleman Cartie	Sept. 30	273	0.6 (0.575)
Raybeck	Oct. 25	1,783	0.524 (0.524)
Scot. & Newcastle	Oct. 26	17,472	1.0 (0.84)
Smith Wallis	Sept. 30	141	0.6 (0.6)
Stirling Knitting	Sept. 30	153	0.35 (0.35)
P. T. Tokkins	Oct. 31	390	0.288 (0.288)
Trident Painters	Sept. 30	100	1.271 (1.271)
Wellman Eng.	Sept. 30	376	0.93 (0.93)
A. J. Worthington	Sept. 30	64	0.71 (0.71)
Zenters Group	Sept. 30	207	— (—)

(Figures in parentheses are for corresponding period.)

* Dividends shown net except where otherwise stated.

** Adjusted for any interim scrip issue. * Percentage. t For 18 months. f For 12 months. g For 13 months. h For 22 weeks. l Less.

BIDS AND DEALS

Agents sell Gibbons stake

BY MARGARET REID

The Crown Agents' 34.8 per cent share stake in Stanley Gibbons International, the stamp dealing concern, has been disposed of through a placing in which the holding has been dispersed among a number of institutions.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Rally resumed: up 18 on week

BY OUR WALL STREET CORRESPONDENT

SPILLERS PROFIT-TAKING was absorbed on Wall Street to-day, but sustaining its upward thrust of higher profits.

and the New Year's rally was recent sessions based on abating inflation and an improving economy.

After opening another 2.60 off at \$21.91, the Dow Jones Industrial Average moved up to 229.83 cent from 7 per cent. After the tri-Average to equal its 1973-76 peak, and close, the Federal Reserve Board making a net rise of 5.12 on the lowered the discount rate to 5.5 day, 18.50 on the week and 77.22 per cent from 6 per cent since the New Year. The NYSE All-Common Index, at \$31.61, rose 22 cents on the day and \$1.12 on the week. But the trading volume dropped 12.51m. shares to 25.84m. compared with the all-time high \$1.12 at \$32 also had improved results. Technicore picked up

another \$2 to \$28—it forecast 209.53. Utilities 0.2 to 133.14 and Banks 0.3 to 244.26. But Papers eased 0.17 in 108.30 and Golds shed 0.24 to 251.56.

AMERICA'S SE MARKET VALUE Index moved up .65 to \$2.05, making an advance of \$23 on the week. Advances outnumbered declines by 391 to 274.

Canada's higher

Further gains were scored on Canadian Stock Markets yesterday.

The Industrial Share Index rose 0.65 to 183.77. Base Metals

0.99 to 79.36. Western Oils 0.69 to

Indices NEW YORK

DOW JONES AVERAGES

Close	Trans.	Indus.	Util.	Yield	revenue	000s
Jan. 16	181.22	222.43	89.65	26.04		
15	181.37	222.50	89.61	26.04		
14	181.37	222.50	89.61	26.04		
13	181.33	222.43	89.57	26.04		
12	181.33	222.43	89.53	26.04		
11	181.33	222.43	89.53	26.04		
10	181.33	222.43	89.53	26.04		
9	181.33	222.43	89.53	26.04		
8	181.33	222.43	89.53	26.04		
7	181.33	222.43	89.53	26.04		
6	181.33	222.43	89.53	26.04		
5	181.33	222.43	89.53	26.04		
4	181.33	222.43	89.53	26.04		
3	181.33	222.43	89.53	26.04		
2	181.33	222.43	89.53	26.04		
1	181.33	222.43	89.53	26.04		
Dec.	181.33	222.43	89.53	26.04		
51	181.33	222.43	89.53	26.04		
50	181.33	222.43	89.53	26.04		
49	181.33	222.43	89.53	26.04		
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Dec.	181.33	222.43	89.53	26.04		
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20	181.33	222.43	89.53	26.04		
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18	181.33	222.43	89.53	26.04		
17	181.33	222.43	89.53	26.04		
16	181.33	222.43	89.53	26.04		
15	181.33	222.43	89.53	26.04		

ENTERTAINMENT GUIDE

OPERA & BALLET

THEATRES

COLLEGE OF MUSIC 101-155 1511.
ENGLISH NATIONAL OPERA 1511.
Tonight 4.30 Twelfth of the Gods
The Valkyrie 7.30 Siegfried.
The Walküre 7.30 Siegfried.

COVENT GARDEN 240 1066.
TODAY 7.30 The Witches 7.30 Les
Biches. Rituals. Petrushka. Thru. 3rd.

THE ROYAL OPERA 7.30

MON. & TUE. 7.30 La Bohème. Tue. 7.

LAZARLINE WELLS 101-155 1511.
TODAY 7.30 (Recorded, but not
TV) 8.30 1972 (Recorded, but not
TV) 8.30 Undt March 20. Eve 7.30.

CARTES IN GILBERT & SULLIVAN
7.30-9. Mon. Tues. Weds. Ruddigore.

THEATRES

DELPHIN THEATRE 01-836 7811.
Eve. 7.30 Mat. Thur. Sat. 3.0.
JEAN SIMMONS
BADDIELEY

A LITTLE NIGHT'S
MUSIC 2nd. Twelfth of the Gods.

Years available for Matinee today.

ALBERTY 836 3378. Repertory Season.

JANE LAPOTAINA 1177-3212.
PAULINE JAMESON LYNN FARLON

AN ENCHANTING EVENING. Punch

Tonight 8.30. Mat. Tues. Wed.

DOROTHY TUTIN TIMOTHY WEST

AN ESTATE IN THE COUNTRY. 3. Tel.

LOWEY 1177-3212. 836 3332.

Royal Shakespeare Company.

Previous night and Mon. 2.30. Open

Thurs. 7.30. Fri. 8.30.

MSC also at ROUNDHOUSE 8.30.

MASSENAO 836 1177-3212. 836 3332.

THE WONDERS HIT THE ROAD.

Delightful 2nd. Tues. Wed. Div. Exp.

POLLO THEATRE 437 3853.

THE GOLDEN CUP. Comedies

by ALAN ATKINSON

THE BEST PLAY OF THE YEAR.

Living Together. Open. 8.30.

GARDEN MON. Wed. 8.15.

AMBRIDGE 836 6056. Evenings 8.30.

Michael Denison. Days. Griffiths

"Terrific entertainment." Express.

ASINO THEATRE 01-471 6877.

Eve. 7.30 Mat. Wed. Thur. Sat. 3.0.

Blesses a glorious Irish. Thru. 3.0.

"My Irish comedy." Sunday Mirror.

"A lot of fun." Colly Mirror.

SHEDY 836 2578. Evngs. 8.00. Sat. 3.0.

FRANCIS LEIGH AMANDA

Saman Taylor's toybox comedy. 8.00.

AN ESTATE IN THE COUNTRY. 2nd.

Audiences were weak.

THUNDERBIRD 836 1177-3212.

It is not a good idea.

WILLIAM 836 1177-3212. 836 3332.

THE ROYAL BOXING CLUB.

Now 8.30. Mat. Tues. Wed. 8.30.

WYRE LANE 01-836 5105.

Mat. Tues. Wed. Thur. Sat. 3.0.

MICHAEL 836 1177-3212. A new

WONDERFUL STAGE STAR. Now

in town. Sat. 3.0.

A TREAT. Sunday Express.

JONES 836 8242. Evenings 8.00.

Fri. Sat. Sun. 3.0.

NOW IN ITS 8th YEAR.

"The Noddy is turning." D. Tel.

INT. OF DORIES 836 5132. Mon. to

Thurs. 7.30. The Londoners of the British

1988. ROGER'S LAST STAND.

JIMMY 01-474 4123.

Richard 8.30. Mat. Sat. 3.0.

LEAD 2 DATES. Sat. 11 and 2.

LEADER 8.30. Sat. 2.30.

LEON 8.30. Sat. 2.30.

LEONARD 8.30. Sat. 2.30.

<p

Jeffrey's

NEW HIGHS AND LOWS FOR 1975/76									
Too numerous to name individually, the 204 new 1975/76 highs recorded among securities listed in the Share Information Service are too numerous to list here in full. See the section "New Issues". There were 4 new lows.									
NEW HIGHS									
BRITISH LOANS (2)									
AMERICAN (4)									
CANADIAN (3)									
BANKS (1)									
BEERS (4)									
BUILDINGS (163)									
CHEMICALS (5)									
CINEMAS (1)									
DRAFFERY & STORES (13)									
ENGINEERING (25)									
FOODS (2)									
HOTELS (1)									
INDUSTRIALS (30)									
INSURANCE (6)									
MOTORS (3)									
NEWSPAPERS (2)									
PAPER & PRINTING (7)									
SHIPPING (1)									
SHOES (2)									
TEXTILES (6)									
TRUSTS (28)									
MINES (1)									
NEW LOWS (4)									
British Funded Miners 1975/6 Band Leases Mar-eval 1975/6 Anglo-Amer. Gold Corporation 1975/6									

RISES AND FALLS YESTERDAY

YESTERDAY

Stock	Denomination	Closing price (p)	Change on week	1975/6 high	1975/6 low
Corus, Dens. and Tools	£1	355	+ 5	355	348
Industrial Gases	5	35	- 2	35	34
Financial and Prop.	100	190	+ 10	190	180
Gilt Ed.	100	180	+ 10	180	170
Metals	5	32	- 2	32	31
Minerals	175	175	- 10	175	165
Western Elect. Corp.	150	150	- 10	150	140
Winnipeg Gold	50	50	- 5	50	45
Winnipeg Gold	25	25	- 5	25	20
Winnipeg Gold	12.50	12.50	- 1.25	12.50	11.25
Winnipeg Gold	6.25	6.25	- 0.75	6.25	5.50
Winnipeg Gold	3.125	3.125	- 0.375	3.125	2.75
Winnipeg Gold	1.5625	1.5625	- 0.1875	1.5625	1.375
Winnipeg Gold	0.78125	0.78125	- 0.09375	0.78125	0.6875
Winnipeg Gold	0.390625	0.390625	- 0.0475	0.390625	0.34375
Winnipeg Gold	0.1953125	0.1953125	- 0.02375	0.1953125	0.16875
Winnipeg Gold	0.09765625	0.09765625	- 0.0115625	0.09765625	0.085046875
Winnipeg Gold	0.048828125	0.048828125	- 0.005625	0.048828125	0.04321875
Winnipeg Gold	0.0244140625	0.0244140625	- 0.00234375	0.0244140625	0.02196484375
Winnipeg Gold	0.01220703125	0.01220703125	- 0.00115625	0.01220703125	0.0109484375
Winnipeg Gold	0.006103515625	0.006103515625	- 0.0005625	0.006103515625	0.00558203125
Winnipeg Gold	0.0030501953125	0.0030501953125	- 0.00028125	0.0030501953125	0.002771484375
Winnipeg Gold	0.0015250096875	0.0015250096875	- 0.000140625	0.0015250096875	0.0013890625
Winnipeg Gold	0.000762549765625	0.000762549765625	- 0.000065625	0.000762549765625	0.00068671875
Winnipeg Gold	0.0003812748828125	0.0003812748828125	- 0.000034375	0.0003812748828125	0.00034684375
Winnipeg Gold	0.00019063744140625	0.00019063744140625	- 0.0000171875	0.00019063744140625	0.00017340625
Winnipeg Gold	0.000095318720703125	0.000095318720703125	- 0.00000851640625	0.000095318720703125	0.0000871796875
Winnipeg Gold	0.0000476593603515625	0.0000476593603515625	- 0.000004285125	0.0000476593603515625	0.000043389609375
Winnipeg Gold	0.00002382968017578125	0.00002382968017578125	- 0.000002140625	0.00002382968017578125	0.00002119484375
Winnipeg Gold	0.000012164840087890625	0.000012164840087890625	- 0.0000010740625	0.000012164840087890625	0.0000109824375
Winnipeg Gold	0.0000060824200439453125	0.0000060824200439453125	- 0.000005140625	0.0000060824200439453125	0.00000559375
Winnipeg Gold	0.00000304121002197265625	0.00000304121002197265625	- 0.0000025740625	0.00000304121002197265625	0.0000027965625
Winnipeg Gold	0.000001520605010986328125	0.000001520605010986328125	- 0.000001287125	0.000001520605010986328125	0.0000013983125
Winnipeg Gold	0.0000007603025005491640625	0.0000007603025005491640625	- 0.00000064375	0.0000007603025005491640625	0.0000006996875
Winnipeg Gold	0.00000038015125002747803125	0.00000038015125002747803125	- 0.000000321875	0.00000038015125002747803125	0.00000034984375
Winnipeg Gold	0.000000190075625001374390625	0.000000190075625001374390625	- 0.0000001609375	0.000000190075625001374390625	0.000000179921875
Winnipeg Gold	0.00000009503781250006721930625	0.00000009503781250006721930625	- 0.000000079475	0.00000009503781250006721930625	0.0000000899609375
Winnipeg Gold	0.0000000475189062500033609625	0.0000000475189062500033609625	- 0.0000000397375	0.0000000475189062500033609625	0.000000043234375
Winnipeg Gold	0.0000000237594503125000168048125	0.0000000237594503125000168048125	- 0.0000001984375	0.0000000237594503125000168048125	0.00000002136484375
Winnipeg Gold	0.000000011879725156250000840240625	0.000000011879725156250000840240625	- 0.00000009921875	0.000000011879725156250000840240625	0.0000000104321875
Winnipeg Gold	0.0000000059398625781250000420120625	0.0000000059398625781250000420120625</td			

STOCK EXCHANGE REPORT

Long-dated Gilts good under the lead of new 'tap'

Equities overshadowed but steady—Index eases 0.1 to 403.2

Account Dealing Dates
Option
 *First Declarer Last Account Dealings (cons. Dealings Day Dec. 29 Jan. 8 Jan. 9 Jan. 20 Jan. 12 Jan. 22 Jan. 23 Feb. 3 Jan. 26 Feb. 5 Feb. 6 Feb. 17
 * New time "dealings" may take place from 9.30 a.m. two business days earlier.

The debut of the new medium-long Gilts-edged "tap" stock provided the main interest in stock markets yesterday. Speculation that the stock, Treasury 13 per cent., 1980, had been subscribed for almost as heavily as the accompanying shorter issue, which subsequently failed to operate as a "tap," ensured a premium on the issue price of 96. Demand was substantial and, with the Government broker, apparently scaling down his stock reserves to unusual small quantities, the price rose to 97.4 of 14 pence, continued the upward trend in the evening, a development which could soon see the stock's exhaustion. Selected high-coupon issues of slightly longer maturity also advanced sharply. Treasury 12½ per cent., 1992, rising 1 to 94½ and Treasury 12½ per cent., 1993, gaining 1 to 92½. Premiums were taken more than 1 higher by sustained upward tendency after-hours on the December Trade figures. Meanwhile, the shorts came easier through switching into longer maturities; sentiment also reflected a lull in buying interest while the new issue, Treasury 9½ per cent., 1980, "A" which held at the issue price of 83, was being bought. Higher bids maintained Retail Sales index and both the expected small cuts in Minimum Lending Rate and U.S. Premium rates made no great impression.

Equity markets were overshadowed by Gilts-edged and the 3.30 p.m. announcement of better-than-expected December trade figures met with a rather muted response. Nevertheless, the late trend in the leaders was slightly

better and the FT-30-share index, which was 1.1 down at 3 p.m., closed only a net 0.1 lower at 403.2. Over the week the index hardened 1.6. The 1 per cent. reduction to 10½ per cent. was thought to have been well discounted, while the increase in the Retail Price index had little impact on sentiment and movements throughout the day were within narrow limits.

Second-line equities, however, continued to attract selective buying. Rises led falls by 8-3 in FT-quoted Industrials, while the FT-Actuaries All-Share index hardened 0.1 per cent. to a fresh 1975-76 peak of 169.29, for a rise of 1.8 per cent. on the week.

A sizeable trade was again effected in investment currency and for much of the day rates held at around 113½ per cent. Demand, however, faded later and in thin dealings the premium slipped lower to close net 11 down at 112½ per cent. Yesterday's \$3 conversion factor was 0.6004 (0.5984).

Banks stay firm

The 1 per cent. reduction in Minimum Lending Rate coming in the wake of Thursday's temporary cut in special deposits did very little for Home Banks, which closed quietly. First National Westminster added 5 to 370p, while Amalgamated Distilled Products firmed a penny to 31p; the latter's interim results are due Wednesday.

Buildings continued to make modest headway. Robert Adlard were raised 4 to 72p, while Vibropump, 108p, and Westbrick Products, 41p, put on 3 apiece. The Australian-based group finished 2 to 15½p and Amalgamated Distilled Products firmed a penny to 31p; the latter's interim results are due Wednesday.

Breweries ended the week on a quiet firm note.

Guinness hardened 2 to a 1975-76 closing of 315p. Elsewhere, Distillers firmed forward 2 to 15½p and Amalgamated Distilled Products firmed a penny to 31p; the latter's interim results are due Wednesday.

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**ARBUTHNOT
SECURITIES
LIMITED**

The complete unit trust group
Prices—see page 21
Arbuthnot Latham & Co Ltd 1833

FINANCIAL TIMES

Saturday January 17 1976

STRATHSPEY
100% HIGHLAND MALT WHISKY

"Togach E Suas 'Ur Misneach"

MAN OF THE WEEK

Busier
than
ever

BY RAY DAFTER



AT A TIME when most executives are putting the finishing touches to their retirement plans, Lord Kearton — 65 next month — is re-emerging as a leading figure in British industry.

Not only has he been appointed chairman of the new British National Oil Corporation but he will also be taking up the reins of chief executive, at least for the time being. Lord Kearton now finds himself playing a familiar role.

For he held similar dual posts for a decade at Courtaulds until his retirement in July last year.

There was—and still is—deep resentment and suspicion of BNOC's function among the oil industry and Lord Kearton was initially met with a cool, often hostile response from company executives. The fact that his reception is now noticeably warmer, is probably a mark of respect for his industrial stature and knowledge rather than any new found love for BNOC.

Lord Kearton, a chemical engineer, is not as naive about oil matters as many in the established industry might have first thought, either. His life in the chemical industry brought him in close touch with oil. Indeed, Courtaulds joined a consortium in 1964 to take up two North Sea licences covering 17 blocks. The group realised, however, that oil exploration was not its forte, and pulled out of the North Sea. Even so, Courtaulds, through its British Celanese interests, is the possessor of a small but unique thermal oil cracker.

Whatever the oil industry thinks of Lord Kearton, it is still suspicious of BNOC as a body and function, however. Some companies have been less than helpful in allowing executives to sit on BNOC's Board as part-time members.

Furthermore concerted efforts by a team of "head hunters" have failed to find a suitably qualified chief executive from inside or outside the oil sector, which is why Lord Kearton is set to step into the breach.

But it is clear that in spite of its reluctance to push forward candidates, the oil industry would like to see more "oil" experience on the Board. This is one of the early criticisms levelled at the organisation. The second concerns the age of some of the members.

Dr. Beric Wright, medical adviser of the Institute of Directors, has referred to the "geriatric trio" of Lord Kearton, Lord Balogh (70), the deputy chairman, and Lord Brigshaw (67). Dr. Wright contends that Britain's youngest growth industry should not be left in the hands of elderly people who tended to become slaves to past experiences and thought processes.

The accusation misfired on two counts, however. First Dr. Wright would be the first to admit that the ageing process is not constant in all men; Lord Kearton's vitality and obvious enthusiasm prove that point. Secondly, the elder statesmen on the Board are supported by a number of younger members.

There are early signs that BNOC is taking the shape of IBC; not surprising, perhaps, considering Lord Kearton was its chairman for 2½ years. Once again, he is seeking to run a tight organisation—at least initially—with the part-time Board supported by a second tier Board of active, mainly younger, directors.

IBC was allowed to settle down quietly, with very little publicity; BNOC has been shoved into the spotlight.

Lebanese air force strafes Leftists

BY IHSAN HAJI

THE fighting in Lebanon intensified further yesterday when two Air Force Hunter jets strafed Palestinian leftist positions which had fired on an Army convoy travelling south to the beleaguered Christian village of Al Damour.

The attack was sharply condemned to-night by Lebanon's Moslem leaders when they accused the army of insubordination in sending in the jets. A statement, issued after a meeting of the leaders, was seen as reflecting the increasing polarisation of fighting along religious lines. Quoted by Danvers-based Voice of Palestine radio, it said that the Christian army commander-in-chief had sent in the aircraft in defence of Mr. Rashid Karami, the Moslem Prime Minister and Defence Minister.

The two aircraft took off from near Beirut airport and headed south. They dived in the direction of Al Damour and soon the sound of explosions could be clearly heard. They made three dives before returning to the airport area, apparently to replenish ammunition. A few minutes later they could be seen zooming back southward.

As the aircraft swept back to the airport area they were fired on with heavy machine guns from two Palestinian refugee camps close by. The aircraft were not hit. The fighters were also believed to have raided gunmen engaged

in heavy fighting around another refugee camp, which is located at Tal Al Zaatar in Beirut's eastern suburbs.

Airforce intervention by the leftists is regarded here as a serious development in the nine-month Lebanese crisis.

The leftists had already been complaining of alleged military intervention against them, and Socialist leader Mr. Kamal Jumblat said only yesterday that while army units were trying to interfere against the leftists in Al Damour they did not lift a finger against the rightists militiamen who earlier this week attacked and captured the Palestinian refugee camp at Dbayeh 15 miles North of here.

Resignation

Moslem leaders had strongly objected to intervention by the army in the current crisis and Premier Rashid Karami, himself a Moslem, said a few days ago the country was divided on the issue.

Observers believe that to-day's development has placed Mr. Karami in a grave and embarrassing position because he is also Minister of Defence. They do not rule out the possibility that he might resign.

Shortly after the aircraft carried out their action, there was a general mobilisation in Moslem and Palestinian areas in and around Beirut.

Middle East peace on firing line. Page 12

BEIRUT, Jan. 16.

While the aircraft were airborne, the Syrian Chief of Staff, Major General Hikmat Al Chehab, was meeting with President Suleiman Franjich at the Baabda Palace outside Beirut.

Gen. Al Chehab had arrived in the morning to help in arranging a ceasefire. The trip came after a telephone conversation yesterday between President Franjich and Syrian President Hafez Al Assad.

Gen. Al Chehab's visit was also part of preparations for an early meeting between Franjich and Al Assad to discuss a possible solution to the Lebanese crisis.

Richard Johns writes: The Air Force action is likely to increase the pressure from Arab states for a settlement. The accusation that the Army has intervened on the side of Christian forces when they captured the refugee camp of Dbayeh has angered other Arab Governments.

Saudi Arabia and Egypt have been particularly explicit in their condemnation of the blockade of the Palestinian camp which led to the latest and most serious round of the conflict nearly two weeks ago.

The Lebanese Armed Forces are an inter-confessional body and there has been speculation that they may divide under the increasing strains caused by the conflict.

Middle East peace on firing line. Page 12

EEC plan for \$7 oil 'floor price'

BY REGINALD DALE

BRUSSELS, Jan. 16. THE EEC Commission to-night followed up last month's Rome summit by proposing a "floor price" of \$7 a barrel for imported oil to help safeguard investments in new energy sources inside the Community.

M. Henri Simonet, the Commission's vice-president for energy, said it remained "improbable" for the moment that oil prices would fall in droves in the 1970 tap which went to a premium of 14 points. The Government Securities index recorded its nineteenth rise in 20 trading days and stands at a new peak of 63.27.

The figure could be revised upwards if necessary but the Commission was not proposing any automatic system for its adjustment. If import prices were to drop below the floor level, the Community should impose import levies he suggested.

The establishment of a "floor" or Minimum Safeguard Price has long been demanded by the U.K. to help guarantee the viability of North Sea oil in the event of a collapse in world oil prices.

The Community's apparent acceptance of such a system in Rome was a major factor in persuading Mr. Harold Wilson, the Prime Minister, to drop his demand for a separate British seat in the North-South dialogue on energy and raw materials in Paris.

In contact with the other EEC countries, Britain had indicated that the floor price should be about \$7 to \$8 per barrel, while Germany insisted that \$7 was the very maximum it could accept. France has never yet publicly endorsed the idea.

A high floor price would penalise most of the U.K.'s EEC partners, who are major oil importers.

Investment

Other measures proposed here to-night include earlier Commission recommendations for energy-saving and fuel sharing in a future oil crisis.

These could include Community loans to help finance nuclear power stations, incentives to uranium prospecting and an EEC scheme for guaranteeing investments in high risk areas.

Introducing the proposals, M. Simonet said the \$7 floor price would protect around 70 per cent. of the Community's current total energy production, although two-thirds of coal production would not be covered.

Societies, however, could have to run down their liquidity levels if their short-term investments in the money and gilt markets become less attractive and mortgage lending again offered a better rate of return on their money.

The extent of the run-down in liquidity would be governed by the effect that such a flood of money to the housing market could have on prices. In the end, societies might be forced to change rates, which would provide them with the chance to restore some very narrow operating margins.

A report published by the Commission to-day, however, casts doubts on whether this ambitious target, adopted by Ministers at the end of 1974, could actually be achieved.

It says it would only require a marginally higher growth rate than the annual 3.5 per cent. predicted for the Community for the 50 per cent. self-sufficiency figure to become attainable.

THE LEX COLUMN

A test of stamina for the market

Index fell 0.1 to 403.2

Yesterday as throughout the week gilts overshadowed equities. Although the short tap that never was closed no higher than Thursday's issue price, and the short end of the market generally was looking rather saturated, dealers reported a big business in the 1970 tap which went to a premium of 14 points.

The Government Securities

index recorded its nineteenth

rise in 20 trading days and stands at a new peak of

63.27. Equities have found the going tougher this week rising 1.6 points to 403.2 but turnover has been reasonably good and the All-Share has advanced by 1.8 per cent.

The heavy batch of economic news yesterday provided no disappointments: Minimum Lending Rate duly fell by a quarter point, and the similar fall in

the lives of other recent taps.

In this sense the rise in the

market too may be tested by the expected new wave of rights issues of which Ocean Transport

was the forerunner on Thurs-

day.

the way open for the art of the receiver; a group negligible net assets are wards of £40m. of born (secured on land, which time was hard to turn cash) has to survive bankers' goodwill. P where the banks are per blame is not for what the last June, but for the we permitted—if not a aged—the group's over in the first place.

Dividends

Coats Patons provides most notable of the which companies will be led by the Treasury's efforts to extricate itself the tangles of its own di control policy. From cases when payments are or reduced for one year will be treated as distinct recovery situations in payments can only be raised to a level paid at least during the previous ten years. Taking the example of Northern Developments had net assets of £1.4m. (71p per share) last June has no bearing on the argument about whether the banks were justified in pulling out the plug. Moreover the figure is ringing with qualifications. The most eye catching is that it includes the directors' estimates of land values, which are £3m. above those of the independent valuers. It does not take into account the costs of the receivership, which will be substantial, or large contingent liabilities for tax and contractions.

Essentially companies only forfeit one year's per increment instead of sensible change for the which increases fees. There could be a bearish cation for shareholders ever, because company now feel less obliged to up in the dividend rat

Northern Dev.

A receiver may be appointed when a company cannot pay its debts, so the news that Northern Developments had net assets of £1.4m. (71p per share) last June has no bearing on the argument about whether the banks were justified in pulling out the plug. Moreover the figure is ringing with qualifications. The most eye catching is that it includes the directors' estimates of land values, which are £3m. above those of the independent valuers. It does not take into account the costs of the receivership, which will be substantial, or large contingent liabilities for tax and contractions.

However it does not look as though Northern was losing money on any scale when the receiver moved in—tangible net worth the previous autumn was down to as little as £300,000 on roughly comparable land valuations—and it is perfectly possible that it could trade its way out of its present troubles.

It still has approaching 20,000 housing plots in its land bank at written down price of perhaps £700 apiece, and there are more likely to be real equity here if land prices were to take off again.

Current trading is reasonably satisfactory, and the mountain years. Meantime it is of debt was already being reduced last summer. But is ruled out since the outsider to tell whether the group could be doing better a viable business—under its original management case where the last it was their policies which laid might rally round?

Culter Guard

Proponents of the bank concept might care a look at Culter Guard the papermaking group yesterday reported losses that knock an entire its net worth. The background is now im

Citibank prime rate to 61 per cent. is expected to be the forerunner of a general wave of other prime cuts with another round of cuts likely to follow in the wake of this week's \$1.2bn. U.S. money supply fall and weak loan demand. Back in the U.K., the trade figures were better than the general expectation and the December retail price index shows that the Government's inflation targets are still realistic.

The rush for gilts in London has only formed part of a worldwide boom in bond markets as interest rates continue to sag.

Investors have been trying to go longer, a trend which has been particularly marked in the U.K. where long-term rates have been very high, by international standards. But the rush into gilts has created serious liquidity shortages, forcing the Bank of England into a temporary release of Special Deposits.

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Weather

U.K. TO-DAY

A MILD westerly airstream will keep England and Wales dry but Scotland and N. Ireland will have some rain.

London, E. Anglia, Southern

England, the Midlands, E. Eng-

land, West Wales, N. Wales,

Isle of Man, N. England,

Mainly cloudy but dry. Light

westerly wind. Max. 9°C (48°F).

N.E. England, Borders, Edin-

burgh, Dundee, S.W. Scotland

Mainly dry with bright inter-

vals. Max. 9°C (48°F).

Oxford: Mostly dry with night

frost and fog patches.

Lightning-up: London 18.51,

Manchester 16.51, Glasgow 16.48,

Belfast 17.01.

ARBUTHN 10.6%

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